



# Vietnam Economic Bulletin

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## FDI inflows triple in January

Viet Nam licensed as many as 153 FDI projects with total registered capital of US\$1.2 billion in January, reported the General Statistics Office. This showed a year-on-year surge of 48.5 percent in the number of projects and a three-fold increase in investment capital.

# FDI



Illustrated image

These projects mainly focused on sectors like wholesale, retail, and repair of automobiles and motorized vehicles, with a combined value of US\$651.9 million or 54.1 percent of the total FDI inflows. Processing and manufacturing are the runner-ups with US\$351.2 million or 29.1 percent.

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## Vietnam registers \$3.6 billion trade surplus in the first month of 2023



Illustrated image (Photo: MoIT)



Illustrated image

The merchandise trade balance was projected to have a surplus of \$3.6 billion in January 2023. The domestic economic sector had a trade deficit of \$1.04 billion. In comparison, the foreign-invested sector (including crude oil) had a trade surplus of \$4.64 billion, according to the Ministry of Industry and Trade's (MoIT) January 2023 report on industrial output and trade.

The MoIT anticipates that the export growth for 2023 will rise by about 6 percent to \$394 billion, compared to 2022. The country's exports have increased by 10.5 percent between 2021 and 2022, reaching \$371.33 billion.

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## Vietnam joins the “golden triangle of startups” in Southeast Asia

Vietnam has become the third pillar of the “golden triangle of startups” in Southeast Asia, together with Indonesia and Singapore, thanks to its advantages of having a strong domestic market and an abundant science and technology human resources.



Illustrated image

Viet Nam's innovative startups attracted US\$500 million in foreign investment over the first nine months of 2022 and nearly US\$2 billion over the recent two years. In 2021, Vietnamese startups mobilized US\$1.4 billion in investment capital, 56 percent higher than the level of US\$894 million in 2019.

The Vietnam National Innovation Centre predicted that Vietnamese startups' capital attraction capacity will maintain an upward trend in 2023. Thirty-nine investment funds have committed an investment of US\$1.5 billion to Viet Nam in the period 2023-2025, raising the total investment for Vietnamese startups to US\$5 billion during this period.

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## Vietnam develops AI technology industry



Medical robotic assistant Vibot (Photo: VNA)

Vietnam climbed seven positions in the Government AI Readiness Index 2022, ranking 6th among ASEAN countries and 55th globally, as shown in the latest report issued by the UK's Oxford Insights, which ranked 181 countries this year, up from 160 in last year's iteration. This result not only reflects the development of AI technology but also shows the trend of forming the AI industry in Vietnam.

Under a national strategy on AI research, development, and application to 2030, approved by the Government on January 26, 2021, Vietnam aims to make AI a spearhead technology in the fourth Industrial Revolution. The country also strives to become a centre for innovation and development of AI solutions and applications in ASEAN and the world by 2030.

At present, many provinces and cities such as Ho Chi Minh City, Hanoi, Da Nang, and Thua Thien-Hue have applied AI in various fields such as health, education, and public administrative services. Deputy Minister of Planning and Investment Nguyen Thi Bich Ngoc said that AI technology has become increasingly essential in all aspects of life in Vietnam, and has been applied broadly in smart city building, health, insurance, smart agriculture, and environmental technology

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## Science, technology, innovation to contribute over 50% to agricultural growth by 2030

The Ministry of Agriculture and Rural Development (MARD) is striving to increase the proportion of science, technology, and innovation's contributions to the sector's growth by over 50% by 2030 through research, transfer, and application activities. The number of businesses engaged in innovation will account for 60% of the total working in the sector by 2025, and 85% by 2030. The sector will support the construction and development of at least 200 hi-tech agricultural enterprises nationwide, and 50-100 high-tech agricultural zones in the agroecological ones.



(Photo: VNA)

More efforts will be made to turn science, technology, and innovation into a breakthrough to strongly develop Vietnam's agricultural economy; transform to a green and environmentally sustainable growth model; and improve productivity, quality, efficiency, and competitiveness of the industry.

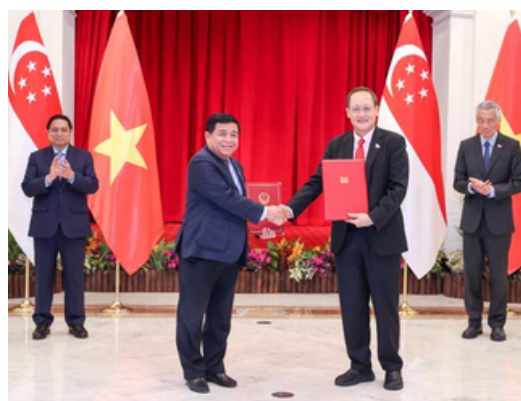
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## Viet Nam, Singapore establish a digital economy–green economy partnership

Viet Nam and Singapore inked a Memorandum of Understanding (MoU) to their partnership in the digital economy–green economy on February 9 during Prime Minister Pham Minh Chinh's official visit to Singapore.



(Photo: VnExpress)



(Photo: VGP)

Last year, Singapore and VietNam inked five agreements and various memorandums of understanding to increase cooperation in military, trade, digital economy, cybersecurity, clean energy, sustainable development, and intellectual property.

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Singapore will assist Viet Nam in realizing just energy transition, towards achieving the goal of net-zero carbon emission by 2050. The promotion of grid connection between Viet Nam and Singapore is predicted to become a model in cooperation in electricity trade and connectivity within ASEAN, serving sustainable development goals.



(Photo: VGP)



## INTEL weighs boosting investment in Vietnam chip packaging plant



(Photo: Reuters)

Intel Corp is considering a significant increase in its existing \$1.5-billion investment in Vietnam to expand its chip testing and packaging plant in the nation, two sources familiar with the matter told Reuters.

The possible move, which one source said could be worth about \$1 billion, would signal a growing role for Vietnam in the global supply chain for semiconductors, as companies push to cut reliance on China and Taiwan because of political risks and trade tension with the United States. One of the sources said the investment was likely to be made "over the future years" and could be even bigger than \$1 billion, while the second person said Intel was also weighing an alternative investment in Singapore and Malaysia, which may be preferred to Vietnam.

Both sources sought anonymity as the plan was not yet public. Asked about the possible investment plan, Intel told Reuters, "Vietnam is an important part of our global manufacturing network, but we have not announced any new investments."

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## Vietnamese companies seeking opportunities in India's plastic market

From February 1-5, Vietnamese companies together with about 1,800 ones from 79 countries around the world are participating in the 11th edition of the world's largest International Plastics Exhibition, Conference, and Convention - PLASTINDIA 2023 that is taking place at Pragati Maidan, New Delhi.



(Photo: VNA)

The main focus of PLASTINDIA 2023 is to innovate, sustain and develop as well as facilitate modern techniques that will help to maintain the development of the plastics industry in India and to work towards developing India as a preferred sourcing hub for plastics globally.

The five-day event is expected to provide an excellent opportunity for exhibitors to showcase their innovations in the entire plastics value chain. Stavian Chemical, a leading plastics, chemicals, and petrochemicals company in Việt Nam, is among the exhibitors.

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## Webinar held to help Vietnamese firms increase presence in India

On February 8, the Trade Office of Vietnam in India held a webinar to update Vietnamese businesses about regulations and procedures for opening branches in the South Asian country. Vietnamese Trade Counsellor in India Bui Trung Thuong noted bilateral trade reached 15 billion USD in 2022, turning India into the eight biggest trading partner of Vietnam. However, there remains much potential and room for both sides to develop trade links.



(Photo: VNA)

According to Mr Nguyen Phuc Nam, Deputy Director of the Asia - Africa Market Department at the Vietnamese Ministry of Industry and Trade, Vietnamese businesses should consider open branches and representative offices in India to improve trade and investment ties with Indian firms and further seize opportunities in the Indian market. The MoIT and the Trade Office are always ready to assist enterprises in seeking cooperation and tackling difficulties facing them in India.

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## 400+ Indian visitors join a mega wedding on Ha Long Bay



(Photo: baoquangninh.vn)

On 5th February, an Indian couple chose Ha Long Bay (in Quang Ninh Province, north of Vietnam) as the destination for their wedding venue, with the participation of 412 Indian guests. This is the first time a mega wedding takes place in Ha Long. It is considered as a great opportunity for Ha Long tourism in general and other destinations crossing Vietnam.

On the Lunar Tet Holiday, a 5-day mega wedding of an Indian billionaire family was held in Da Nang, with the participation of more than 350 guests from the upper class of the two families. In particular, more than 100 event staff and top Indian chefs, along with more than 2 tons of materials, costumes and props were transported from India to Da Nang to prepare for the lavish wedding ceremony.



(Photo: baoquangninh.vn)

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## Buon Ma Thuot – World Coffee Destination 2023

From 10th to 14th March 2023, the People's Committee of Dak Lak Province will coordinate with the Ministries and Central agencies to organize the 8th Buon Ma Thuot Coffee Festival in 2023 with the theme "Buon Ma Thuot – World Coffee Destination".



At the press conference (Photo: VNA)



Buon Ma Thuot coffee

Buon Ma Thuot Coffee Festival has become a prominent event of Vietnam's coffee industry. On March 11th, 2023 there will be the International Trade Connecting Conference, a new activity to promote the value of the Buon Ma Thuot Coffee brand and affirm the position of Vietnam's coffee industry in the world's market.

Dak Lak provincial People's Committee appreciates receiving participation registration from any interested parties. Registration please send to the Dak Lak Department of Industry and Trade, Via Ms. Nguyen Thi My Hanh- Phone number +84936487768 –Email: myhanh0906@gmail.com.

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Ako Dhong Village, Buon Me Thuot



Buon Ma Thuot festival



Thuy Tien waterfall, Buon Me Thuot

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