



**Business
in Cockburn**
CONNECT INVEST TRADE

Cockburn

Global



Science and Technology

Viet Nam



Chamber of Commerce
and Industry WA



CONSULATE GENERAL OF VIETNAM
IN PERTH – AUSTRALIA



Overview

Viet Nam Garden Island Room	
10.30am - 10.45	Trading with Indonesia Tracey McClurg
10.45am - 11am	Science and Technology Bui Viet Khoi Vijay Kanapathy
11-11.15am	Question and Answer



Tracey McClurg

**Senior International Trade Consult
Chamber of Commerce and Industry WA**

Discussing trading with Indonesia

Cockburn Global 2023

VIETNAM



Tracey Mcclurg



Senior International Trade Consultant

CCIWA

Tracey has over 15 years' experience in Business Development gained across various senior roles within the private and public sectors locally and internationally. Most recently, Tracey was working for AusIndustry's Entrepreneurs' Programme as a Growth Facilitator helping to drive business improvement initiatives for Western Australian SMEs to increase capabilities to trade. Tracey's career has spanned three continents and five cities, having worked in Private Banking, Executive recruitment, Academia, and Federal Government programs..

Reduce the cost, risk, and time of going global

Trade and Investment Consulting

Utilise our suite of trade consulting services:

- Market selection strategies and business matching
- Export and import planning
- eCommerce support
- Understanding free trade agreements
- Supporting various Federal and State Govt grant programmes

Chamber of Commerce
and Industry WA

Trade Documentation Services

Rely on CCIWA to be your major authorised issuing body for export documents:

- ATA Carnets
- Certificates of Origin
- Certification of products to carry the Australian Made, Australian Grown logo trademark
- Australian Trusted Trader



Registered TradeStart Partner

Tap into Austrade's worldwide resources through TradeStart:

- On-hand market information and industry insights
- Facilitation of business connections
- Export Finance and Export Market Development Grant programme information



Australia's top export
markets



Vietnam
economic snapshot



Why do Business with
Vietnam



Top Exports and
Imports- Vietnam



Free Trade
Agreements with
Vietnam



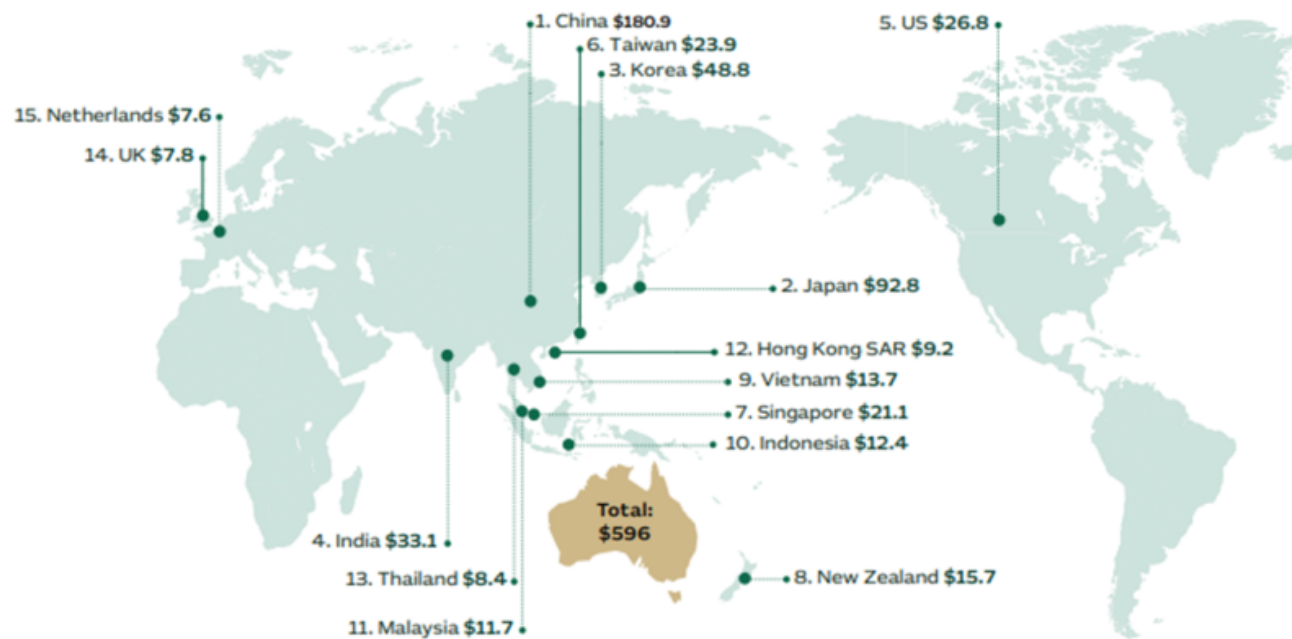
Consumer
Trends



Content

Australia's top 15 export markets, 2021-22

A\$ billion



Australia's top export markets

Vietnam economic snapshot

- Vietnam's economic output in 2023 is about one forth of Australia's economic output.
- The annual GDP growth in Vietnam is high, 5.8%. One of the highest growth rates amongst ASEAN countries and higher than Australia's 1.6%.
- GDP has been experiencing positive growth and is projected to continue to grow to 2028.



Vietnam economic snapshot

1 Service



1

The biggest contributor to the GDP is the services sector. Including wholesale and retail; finance and banking.

2

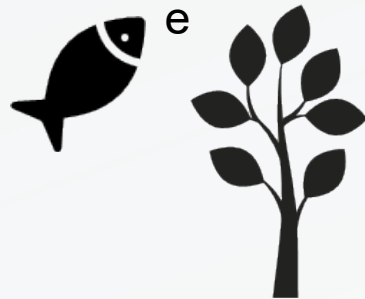
Industry and construction



2

The industry and construction sector is the second biggest financial sector in Vietnam, with manufacturing being the most important for Vietnam's GDP.

3 Agriculture



3

Agriculture (including forestry and fishing) employs about 30% of the human resources. Rice is the main product of Vietnam's agriculture sector.

Why do business with Vietnam?



1

Domestic consumption is on a rise with the 7th fastest growing middle class in the world.

2

Vietnam has one of the highest internet penetration rates in Southeast Asia.

3

Vietnam is a go-to destination for labour intensive and increasingly advanced manufacturing.

Top trading partners

Exports From Vietnam

UNITED STATES



- 1.Electrical machinery and equipment
- 2 Furniture
- 3.Machinery, Nuclear Reactors, Boilers

CHINA



- 1.Electrical machinery and equipment
2. Machinery, Nuclear Reactors, Boilers
- 3.Optical instruments, photography and medical devices

SOUTH KOREA



- 1.Electrical machinery and equipment
2. Machinery, Nuclear Reactors, Boilers

JAPAN



- 1.Electrical machinery and equipment
- 2.Machinery, Nuclear Reactors, Boilers

SOUTH KOREA



- 1.Electrical machinery and equipment
2. Machinery, Nuclear Reactors, Boilers
- 3.Optical instruments, photography and medical devices

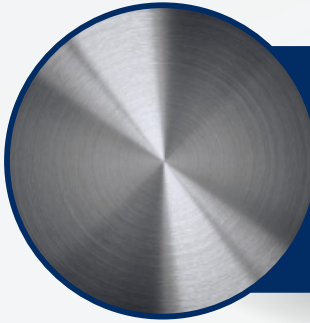
CHINA



- 1.Electrical machinery and equipment
- 2.Machinery, Nuclear Reactors, Boilers
3. Plastics

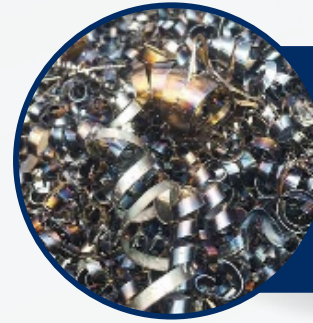
Chamber of Commerce
and Industry WA

WA top exports to Vietnam



Iron ore

Vietnam is Western Australia's 5th largest export market for iron ore. The State's iron ore exports to Vietnam rose 61% to \$1.8 billion in 2021.



Metal waste

The top three recipients of Australian waste and recovered materials in 2021 were Indonesia, India, Vietnam. WA's largest export market is Vietnam.



Wheat

In 2021, Western Australia's exports to Vietnam of wheat rose 73% to \$213 million.



Barley

Vietnam is Western Australia's 3rd largest market for barley.

WA top imports from Vietnam



Manufactured goods

Manufactured goods is the largest category of imports to WA from Vietnam. Including rubber tires; clothing, footwear; furniture; and electronics.



Agri-food

Agri-food makes up 16 % of the total import from Vietnam.



Machinery and transport equipment

Machinery and transport equipment account for 27% of Western Australia's import from Vietnam.



Free Trade Agreements

- Australia and Vietnam are members of the ASEAN-Australia-New Zealand FTA (AANZFTA), the Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP). Most Favored Nation (MFN) – means one country should treat another country no less favorably in trade matters than it treats its most favored trading partner.
- It delivers extensive tariff reduction and greater certainty for services suppliers and investors.
- Vital to choose correct FTA. For example, pumps (HS code 8413.11.00) under the AANZFTA have 0% tariff but under Most Favored Nation MFN they have 3%.
- The Australia-Vietnam Enhanced Economic Engagement Strategy.



Consumer trends

1

Modern Trade channels are the consumer preference.

2

E-commerce continue to increase, especially within non-edible products.

3

Vietnam's consumers want variety in products.

4

Consumers exhibit little loyalty to both stores and brands.





Investors

Discover Western Australian projects
currently seeking investment.



Seeking investments

Promote your investment-ready project
to national and global investors.



Why invest in WA

Western Australia - your natural choice
for investment and growth.



Thank you



Tracey McClurg
Senior International Trade Consultant



www.cciwa.com



tracey.mcclurg@cciwa.com





Bui Viet Khoi

**Counsellor, Head of Science and Technology
Office Embassy of the S.R of Viet Nam in Australia**

Discussing Science and Technology
Cooperation and Investment

Viet Nam and Australia: Science and Technology Cooperation and Investment

Mr. Bui Viet Khoi

Counsellor, Head of Science and Technology Office

Embassy of the S.R. of Viet Nam in Australia

Some key figures about Vietnam

Population: 103 million (2023)

GDP (purchasing power parity): 1,450 billion USD (2023 estimate, IMF)

GDP (nominal): 449 billion USD (2023 estimate, IMF)

GDP-real growth rate: 8.02% (2022, highest for 2011-2022)

GDP-per capita (PPP): 14,458 USD (2023 estimate, IMF)

GDP-per capita: 4,475 USD (2023 estimate, IMF)

Major Ports: Da Nang, Hai Phong, Ho Chi Minh City

Bilateral trade between Viet Nam and Australia: 15.7 billion USD (2022), increased 26,9% by 2021.

Exports: mobile phones and accessories, computers and electronic devices, machinery and equipments, fishery products, garments...

Imports: coal and minerals, wheat, raw cotton, steel and metal products, agricultural products ...



Vietnam and Australia: Cooperation in Science, Technology and Innovation

- Innovation is one of three main pillars of Strategic partnership between Australia and Vietnam.
- AUS4INNOVATION (2018 - 2028): AUD\$33.5 million budget.
- Aus4Innovation program is a partnership between the Australian Department of Foreign Affairs and Trade (DFAT), the Vietnamese Ministry of Science and Technology (MoST) and CSIRO.
- Australia and Vietnam will work together to explore emerging areas of technology and digital transformation, trial new models for partnerships between public and private sector institutions.
- AUD \$ 1.5-2.0 million is allocated annually for competitive grants.



Investment in High-tech parks in Vietnam



Saigon High-tech Park



Hoa Lac High-tech Park (Hanoi)



Danang High-tech Park

Tax incentives in High-tech parks in Vietnam

- **Incentives on corporate income tax (CIT):** Companies operating new projects will be exempt from CIT for the first four years, then will enjoy a 50% reduction of the payable tax for the next nine years. A CIT rate of 10% will be applicable for 15 years (the normal CIT rate for outside enterprises is 20%); large projects valued at more than VND 3 trillion (USD 133 million) will enjoy such 10% CIT rate for 30 years.
- **Incentives on import duty:** An exemption from import duty will be applied for the first five years for raw materials and accessories that cannot be domestically produced.
- **Incentives on land rental:** Many high-tech projects are eligible for free land rental for the entire term of the investment project, and will only be required to pay construction costs, utilities, and other disbursements. For other projects, such as those related to training and logistics, the land rental exemption will be applied for an initial infrastructure construction period of up to three years.
- **Other incentives:** Companies with projects in the park will be given assistance in immigration procedures, housing for foreign expats, one-stop administrative procedure, connecting with high-quality labor resources from top universities in Vietnam, and loan funding from local banks.

Incentives for Science and Technology, High-tech Firms

- The Vietnamese government issued [Decision No.10/2021/QĐ-TTg](#) which details criteria for identifying hi-tech businesses and [Decree No.13/2019/ND-CP](#) which provides preferential treatment for science and technology enterprises.

Conditions to be qualified as hi-tech include:

- at least 70 percent of total annual net revenue derived from hi-tech products;
 - at least 0.5 to 2 percent of total annual net revenue allocated to research and development (R&D) activities, or at least 0.5 percent for enterprises with total capital over VND 6 trillion (US\$260.87 million) and more than 3000 employees;
 - Businesses with total capital of VND 100 billion (US\$4.35 million) and more than 200 employees must allocate at least 1 percent to R&D activities; and all other businesses should spend at least 2 percent of total annual net revenue.
- Enterprises are certified as science and technology firms/hi-tech enterprises will be exempted from corporate income tax (CIT) for four years and get a reduction of 50 percent for the following nine years.
 - Scientific and technological firms are also entitled to exemption or reduction in their land and water surface lease fees, import/export tax incentives for R&D, production, and other business activities.

Technology need-seed matching in Vietnam

- **Every year, Ministry of Science and Technology (MOST) in Vietnam organize a Technology Need-Seed matching meeting (Techconnect and Innovation Vietnam event):**
 - ❖ The companies could introduce and demonstrate their technologies and meet with potential partners for collaboration and technology transfers.
 - ❖ Techconnect and Innovation Vietnam 2023 is held on 29-30 September 2023.
- **In recent years, there are a large number of technology needs in the following fields:**
 - ❖ Vegetable and Fruits Preservation (Postharvest technologies)
 - ❖ Fishing board and ship building
 - ❖ High-tech agriculture
 - ❖ Renewable and green energy
 - ❖ Waste processing and management
 - ❖ Digital transformation

- **Science and Technology Office, Embassy of the S.R. of Viet Nam in Australia can be a good bridge between your businesses and your potential partners in Vietnam for scientific collaboration and technology transfers.**
- **For enquiry, please contact:**

**Mr. Bui Viet Khoi
Counsellor, Head of Science and Technology Office
Embassy of the S.R. of Viet Nam in Australia
Address: 6 Timbarra Crescent, O'Malley ACT 2606
E-mail: bvkhoi@most.gov.vn**



Vijay Kanapathy

**Regional Commercial Director
EPT Software Australasia Pty Ltd**

Discussing Asia's next digital innovation Hub



Software

Vietnam : Asia's Next Digital Innovation Hub

Advanced Technologies Transformation in Vietnam to Enhance Economic Growth

INDUSTRY OUTLOOK - THE EMERGING GLOBAL IT HUB

KEARNEY

Ranked 6th in 2021 Global Service Location Index – a measure of offshoring destinations' attractiveness.

- 2021



"Tier 1 Emerging Offshore Outsourcing Location in APAC."

- 2016

MARKETS INSIDER

The 5 Best Countries To Outsource To in the World

- 2019



Top 2 best destinations for software outsourcing in South East Asia"

- 2022



Why **Vietnam** is your next Digital Innovation Hub



Political & Social Development

- Total FDI inflow reached **US\$22.4** billion as of 2022 – among **top 20** most FDI-attracting countries in 2021
- Vietnam's GDP grew **8.02%** in 2022 – fastest growth rate in 25 years.
- Ranked **#44** in Global Peace Index in 2022

Availability of Labour Market

- **50M** Labor force in the working age
- **Golden pop.** structure with over **51%** population is in the working age
- **Rank #2** in Asia Pacific and **#22** in Global Skills Index (2020)

Digital Economic Boom

- Ranked **#2** fastest growing digital economy worldwide (2022)
- Ranked **#1 in Digital Riser in East Asia & SEA** by European Digital Competitiveness
- Software and IT service revenue hit **US\$9 billion** annually
- **US\$136 billion** worth of digital technology exports in 2022

fastest-growing ASEAN economy, with GDP growth at 6.6% Ahead of Philippines & Malaysia

Challenges in digital economic front



01

POST COVID-19 DISRUPTION

is changing the way we live and work

02

EMERGING TECHNOLOGIES

and the growing need for digital upskilling

03

CHANGING CONSUMER BEHAVIOR and EXPECTATIONS

Higher standards for service delivery, Sustainability driven

04

NEW BUSINESS MODELS for LABOUR SHORTAGE

that require highly-skilled digital expertise to maintain business continuity and to stay ahead of the competition

05

NEW GLOBAL THREATS

Cyber threats, unstable political Volatility

FPT's Contribution to Vietnam's Development



FPT is the first ICT company in Vietnam, has over **60,000 employees** and is a member of the country's digital transformation council



FPT University: 5,000 new IT graduates each year (10% of the country's graduates !)



FPT has opened Vietnam to **85 of the world's top companies - Fortune 500** and **world-class innovation**



3rd Telecom provider in Vietnam: with our own cloud offer, we provide the infrastructure for the country's development

WE CAN BECOME YOUR TRUSTED PARTNER

- Provide high-skilled technical talent and industry solutions to support your business growth
- BOT (Build Operate Transfer) Strategic Technology Center: Provide resources, assist to create your technology structure in Vietnam, transfer proven operation to you
- Accompany your exploration & investment in the Vietnamese market





Accompany the Future





FPT Investment in Quy Nhon AI Valley

QUY NHON: The Local government's strategic vision and policy to transform a land of **fishery into the hub of sustainable investment**, **an ordinary province into a destination of global scientist**

The wave

FPT : Accompany Our Client Success



Client Testimony: Mr Stephen Foley CIO



- Comprehensive Strategic Partnership
- Government schemes, incentives and commitment to develop **Digital society** and **digital business**

Rheem engaged FPT Software in Mid 2021 to implement SAP ERP into our business in Vietnam. The project went live in 2022 on schedule and within budget. The project had to be performed under strict COVID protocols that have prevented any face-to-face interactions between FPT and Rheem.

Despite the difficulties imposed by COVID, we are delighted with the dedication, thoroughness, professionalism and quality of the service that FPT software has delivered to us. FPT software have been very disciplined in the delivery of their service to Rheem

While all implementation projects have their challenges, FPT have been forefront and clear of the challenges and able to deliver great support and solutions for the implementation process. We look forward to continue the great working relationship with FPT for our on-going support and managed services work ahead.

Employee Experience

Bring The World To Our Talents

2.000+

Foreign Emp.

Foreign employees who working in FPT Software

900+

New Recruited

New foreigners recruited

30+

Manager

Foreigners who take the management role at all levels

30:70

2035 target

Ratio between Vietnamese and foreigners



Bring Our Talents To The World



Employee Experience

3.000++
On-siters

Vietnamese employees who working overseas

300++
Long-term Residents

Vietnamese employees who has Green Card or equivalent certificates

100+
Citizen

Vietnamese employees who already changed the nationality.

400++
Ready-to-go

Employees who trained through global citizen program and ready to work overseas.

1.000++
Candidates

Employees who wants to work overseas in the next 1-2 years

POWERING DIGITAL TRANSFORMATION Asia Pacific

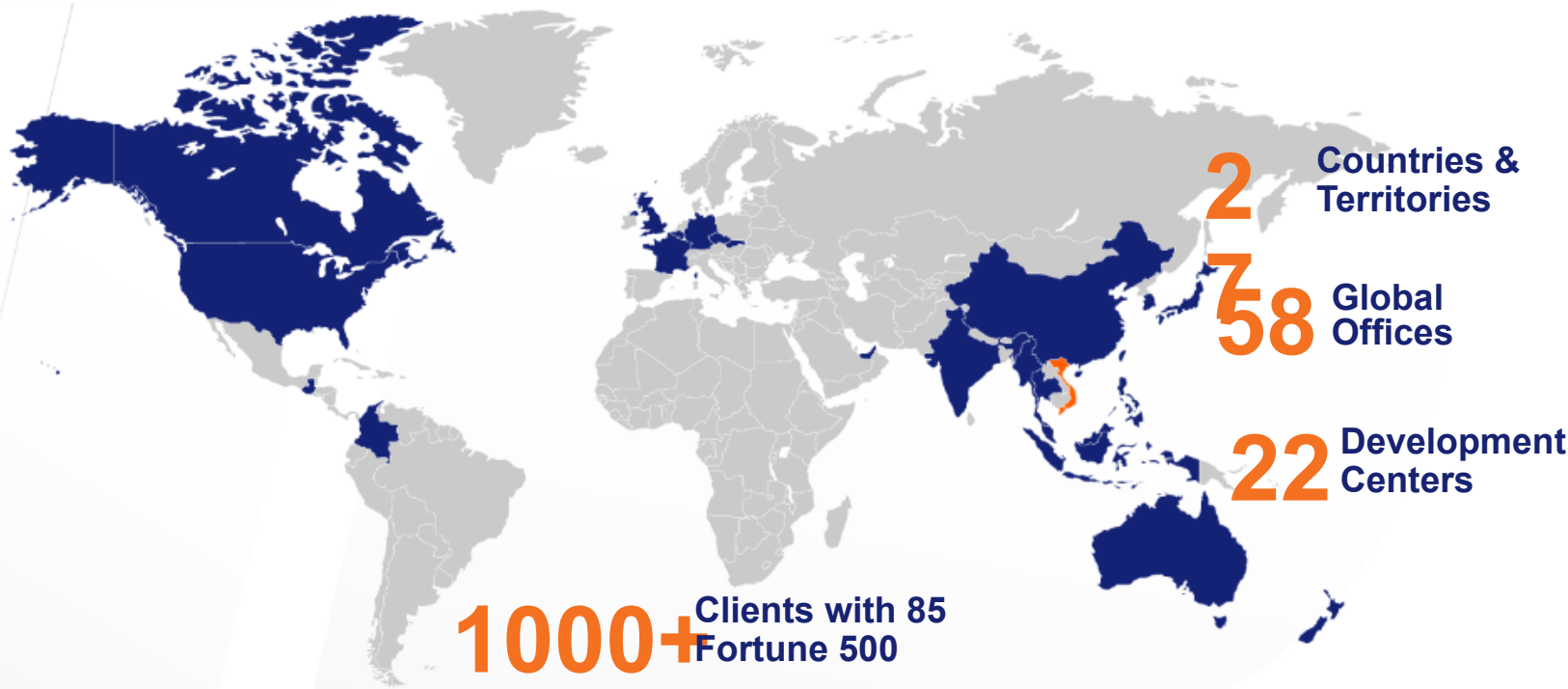
Japan | South Korea | China | Taiwan | **Australia** | New Zealand | Hong Kong | India | United Arab Emirates | Vietnam (HO)) Singapore | Malaysia | Indonesia | Philippines | Thailand | Myanmar

America

USA | Canada | Colombia | Costa Rica

Europe

Germany | France | Slovakia | Czech Republic | United Kingdom | Belgium | Denmark





Employee Experience

FPT Software – Your Trusted Digital Innovation Partner

Thank you

Vijay Kanapathy | Vijay.k@fpt.com | FPT Australasia Pty. Ltd.



What's next?

11.30-12.15pm - Breakout Session 3