
Press release

Date 18 October 2017

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The spotlight is on Vietnam

PwC shares insights on successfully investing in Asia's new economic powerhouse

Ho Chi Minh City, 18 October 2017 – Leading professional services firm PwC Vietnam hosted the media today to share key insights from its special report on Vietnam's growing potential as one of Asia's fastest rising economies.

PwC's special report 'Spotlight on Viet Nam', developed in line with the country's hosting of the 2017 Asia-Pacific Economic Cooperation (APEC) meetings, provides a snapshot of Vietnam's bright future. Having been the Knowledge Partner for the APEC CEO Summit for the last eight years, PwC has taken the lead in helping businesses understand Vietnam, delivering key insights on what it takes to be a successful business in this leading emerging market.

Vietnam has been enjoying consistent growth in the last several years, evident in its continued attraction of foreign direct investment. With its young and growing workforce, competitive economy, a government committed to growth, and other strong macroeconomic fundamentals, Vietnam provides a wealth of opportunities for businesses seeking to enter or expand in the country.

Ms. Dinh Thi Quynh Van, PwC Vietnam's General Director, says:
"Understanding Vietnam, its prospects and opportunities, as well as its challenges and complexities are important for investors who want to succeed in Asia's rising economy. Having a one-size-fits-all mindset will be counter-productive if investors are keen to pursue sustainable growth in this dynamic country. Foreign companies will benefit from recognising what makes Vietnam different from other economies, to create a viable, and successful go-to-market strategy."

In '[Spotlight on Viet Nam](#)', we focus not only on the country's key drivers for growth, but also discuss the most promising sectors for investment. I hope that this publication will provide some important food for thought for investors as they embark on their growth journey into Vietnam."

Among the sector hotspots noted in the report is the business process outsourcing (BPO) industry, which has grown 20% to 35% annually over the past decade. Vietnam's need to secure new sources of energy has also made solar and wind energy generation a promising option for foreign investors. The upscale and luxury hotel industry also offers great potential for investment, with the consistent increase of international tourist arrivals coupled with an affluent growing middle-class.

In addition, the government's push for business to help raise the agriculture sector's technology level bodes well for Vietnam's agribusiness and food sector. Demand for complex retail banking products is also predicted to increase, while financial technology (Fintech) is tipped to support Vietnam's transition to a cashless society, making the retail banking sector another important industry to watch.

Ms. Quynh Van explains:

"These exciting sectors show that Vietnam has the potential to move up the value chain, harnessing people, knowledge and technology. The time is ripe for Vietnam to establish itself as a brand that is recognised beyond its manufacturing capabilities and labour-intensive industries in line with its transition to a high-income economy. Foreign investors will be able to tap into these new areas of growth to actively participate in this thriving economy if they can deepen their understanding of the



local market, and create a localised strategy that considers the people, culture, and business environment.”

With foreign investors keen on entering the Vietnam market, local businesses will need to level up their competitiveness to harness these opportunities. Businesses will do well to have an open dialogue with the government to share knowledge on industry developments in key sectors of opportunity.

Grant Dennis, PwC Vietnam’s Consulting Leader, shares:

“Vietnamese companies must have a *fit for growth* approach to be able to leverage on these growth opportunities. In today’s volatile environment, the winners will be companies with an adaptive mindset that can position themselves strategically for the long haul by focusing on a few capabilities that differentiate them in the marketplace. Having a digital strategy to enhance the customer experience and optimise business operations will be key in differentiating them in a crowded local and regional marketplace. To pursue this *fit for growth* approach effectively, CEOs need to ask themselves these critical questions; how do I energise my organisation for a transformation; how do we achieve both cost fitness and growth; and how do I manage the transformation so it’s enduring?”

Apart from ‘Spotlight on Viet Nam’, PwC, as knowledge partner to the APEC CEO Summit, has conducted its Annual APEC CEO Survey to sharpen understanding of what’s driving business growth and investment in the Asia Pacific region. The APEC CEO Survey, which will be released on 8 November 2017 during the APEC CEO Summit, gathers perspectives of CEOs and industry leaders across all 21 APEC economies.

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Notes to editors:

About PwC

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About PwC Vietnam

PwC Vietnam established offices in Hanoi and HCMC in 1994. Our team of approximately 1,000 local and expatriate staff has a thorough understanding of the business environment in Vietnam and a wide knowledge of policies and procedures covering investment, tax, legal, accounting and consulting matters throughout Vietnam. We also have a law company in Vietnam, licensed by the Ministry of Justice, with a head office in Ho Chi Minh City and a branch office in Hanoi.

We go the extra mile to help our clients achieve their objectives. With strong industry knowledge that our clients require at a local level, we offer integrated services, bringing a breadth of skills and depth of resources to our clients wherever they do business, throughout Asia and across the world. Visit our website for further information: www.pwc.com/vn.

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