Vipuvoimaa Vietnamista

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Country in a nutshell

Country snapshot	
Land Area	331,210 sq km
Population	89 mil (less than 30 years old: 70% of population)
Capital	Hanoi, economic capital HoChiMinhCity
Local Currency	Vietnam Dong (VND)
GDP At current price: Per capita: Growth rate:	 104.6 Bil USD 1,168 USD 6.78%
Government	Socialist Republic, one party system
Official language	Vietnamese

	Total	Growth rate
Fixed line in service	16.4 mil	5.1%
Internet users	27.4 mil	20.2%
Mobile phone subscribers	154 mil	39.8%

Source: General Statistics Office of Vietnam (2010)

Snapshots of Vietnamese Hitech and Telecom's

Vietnam juhli perjantaina onnistunutta askeltaan kohti avaruusaikaa. Telesatelliitti Vinasat-1:n on määrä parantaa maan viestintäyhteyksiä.

Digitoday 21/4/2008

Nokian halpamalli C3 sai Vietnamissa laajat kansanjoukot liikkeelle. Laitteet loppuivat kaupoista muutamassa tunnissa.

Digitoday 11/08/2010

US-based chip maker Intel on Friday opened a billion-dollar plant in Vietnam, the company's biggest in the world, expected to create thousands of skilled jobs as the nation moves from low to hi-tech.

http://www.physorg.com/news/2010-10-intel-vietnam-biggest-chip.html

Samsung tehostaa matkapuhelintuotantoaan Vietnamissa ja Kiinassa. Näillä alueilla erityisesti älypuhelinten ja tablettien kysyntä on yhtiön mukaan kasvussa.

Digitoday 3/1/2011

The Viet Nam Post and Telecommunications Group (VNPT) co-operated with Russian Alltech Group to develop 4G/LTE (long term evolution) technology forViet Nam. After only 39 days since the test licence to build and develop a 4G/LTE network in HaNoi and HCM City was granted, the first base station successfully transmitted signal in Ha Noi on October 10, delivering test mode services with internet speeds up to 60Mbs.

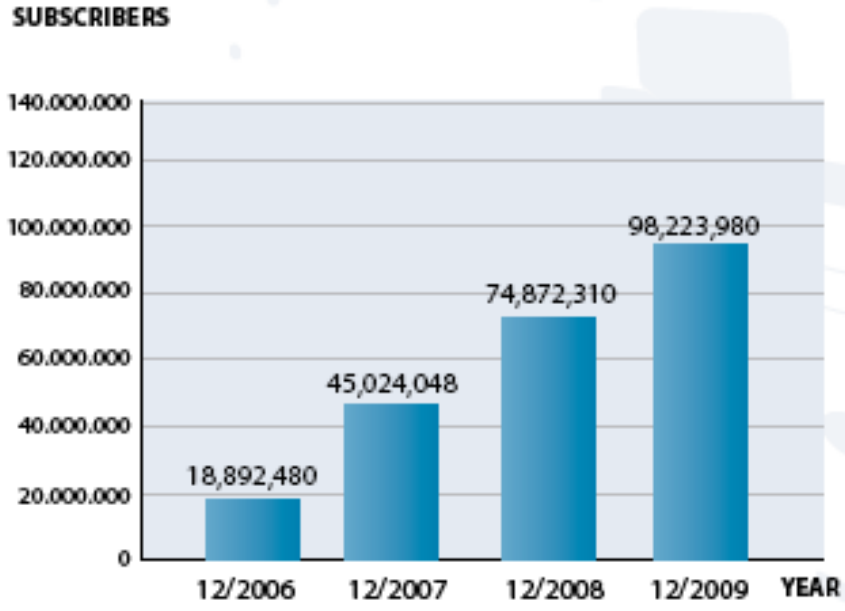
VietNam News 6/11/2010

SWOT in Vietnam

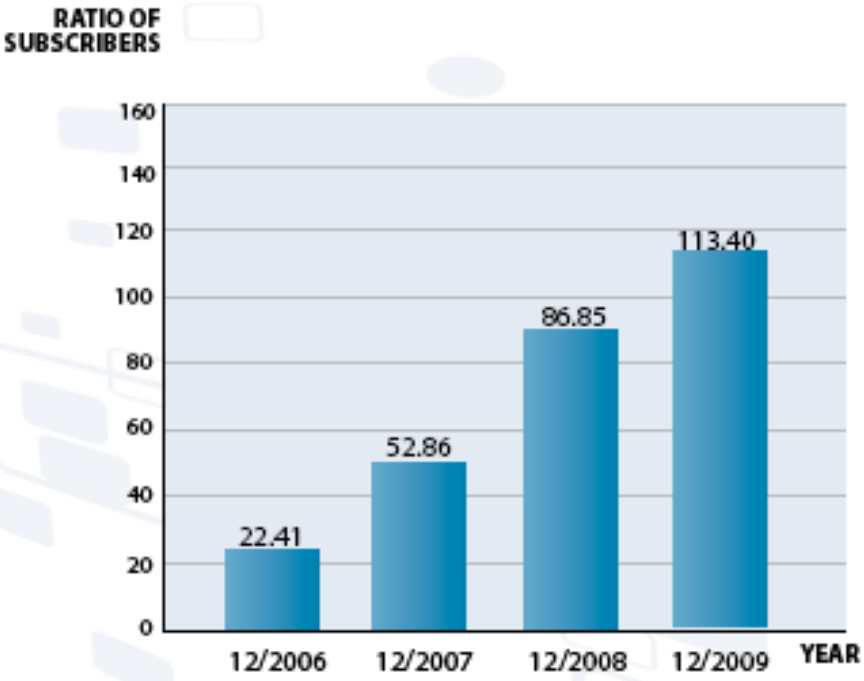
Strengths	Weaknesses
• Stable GDP growth • Stable political regime • Young population • Cheap labour cost • WTO member •Rapidly growing and wealthy middle-class	• Poor infrastructure • Red tape, corruption • Weak management • Lack of capital Finnvera country risk 5/7
Opportunities	**Threats**
• The growth rate has been stable but still lower than that of East Asian countries, implying potential for higher rates of economic growth •Asean free trade zone	• Inconsistent legal framework for business in Vietnam • State-owned sector still dominates manufacturing and services

Mobile subscriber growth 2006-2009

2.1 Number of mobile phone subscribers



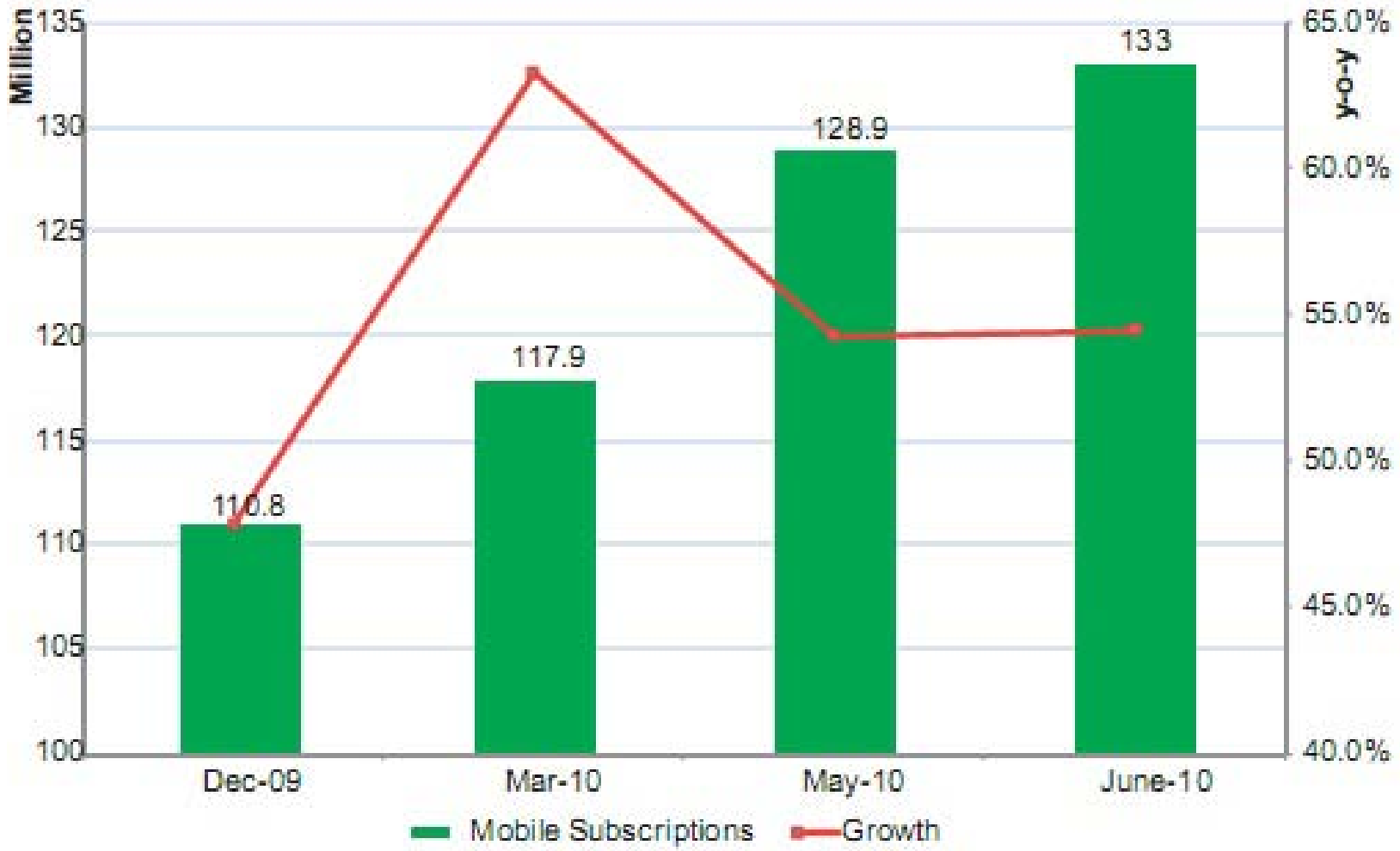
2.2 Mobile phone subscribers per 100 inhabitants



	4/2010
2.3 Number of 3G mobile phone subscribers	7,029,368

Source: Ministry of Communications

Mobile subscriber growth 2009-2010



Source (GSO, General Statistics Office and MIC, Ministry of Communications June 2010)

Software

7 TOTAL NUMBER OF EMPLOYEES IN IT SECTOR (PERSONS)

		2008	2009
7.1	Hardware industry	110,000	121,300
7.2	Software industry	57,000	64,000
7.3	Digital content industry	33,000	41,000

- Major activities
  - web-based applications, specific customer solutions and IT consultation
  - 40-50% of Vietnamese software companies make software outsourcing

Education Higher Education

- **Government's Plans on Education**
  - A foreign language (mostly English) is compulsory from 3rd grade, and more efforts to improve its teaching and learning quality;
  - Tertiary education upgrading toward international standards by 2020;
  - Collaboration with overseas campuses in research and joint programme delivery are strongly encouraged .

- **Opportunities for Finland**
  - Investments in all levels, including K-12, tertiary and vocational training;
  - Finland is known for its PISA results, so more advantages for them in K-12 level while tertiary schools are more needed.
  - R&D cooperation;
  - Curriculum development , guest lecturers and student exchanges;
  - The greatest demand has been for business, management and finance. Tourism, IT, applied/ life sciences and, especially, engineering, are also popular. Given Vietnam's development priorities and job market predictions, these trends look set to continue.

Retail market/ Consumer products

- Rapidly changing buyer behaviour (from mom-and-pop shops and local markets to supermarkets) is opening an enormous potential for foreign retailers and companies operating FMCG sector
- Fast growing middleclass becomes wealthier and starts to buy new products like western cosmetics brands, fancy drinks, design clothes etc.
- One of the best electronics sales has been flatscreens. More similar products will follow.
- The household average level of equipment is still low so new products are needed on the market.

Construction and machinery

- Construction
  - Both residential and infrastructure construction arein high growth due economic growth and delays in investments
  - Most investments are foreign or joint-ventures, also ODA funding is important on the infra side.
  - Interesting sectors:
    - Engineering and contracting
    - Materials and equipment
    - Machinery and tools

Construction and machinery

- Machinery
  - With the yearly growth of aprox. 15% Vietnamese industry keeps needing new machinery for it's processes. As domestic offering remains low, market is open for international suppliers
  - **Interesting sectors:**
    - Metal industry
    - Wood industry
    - Construction

Cleantech, waste

- Major sectors interesting for Finnish businesses
  - **Solid waste**
    - Waste separation, collection and transportation, logistics and planning
    - Waste recycling and reuse
    - Landfill technology including gas collection and treatment
    - Waste-to-energy solutions
    - Niche sectors like medical waste, food processing etc.
  - **Waste water**
    - Small and medium size cleaning systems for industrial companies, hotels and other public entities

Cleantech, energy efficiency

- Electricity
  - Energy efficiency is extremely important as the lack of electricity hinders the growth of Viet Nam. Year after year the situation worsens and daily black-outs are common practice.

- Industrial processes
  - Industrial processes are often old and energy consuming due artificially low electricity price

Cleantech, energy efficiency

- Renewable energy
  - **Solar**
    - Plenty of it available
    - Viet Nam has one good quality panel producer
  - **Bioenergy**
    - Rice straw (collection is a challenge)
    - Fish and shrimp industry processing residues
    - Non food, non wood sources
  - **Wind**
    - Actually the low electricity price and missing support methods for producers make projects unprofitable

Finpro Viet Nam

- Offices in Hanoi and HCMC
- 4 Staff + specialized subcontractors
- Very good network of local contacts

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Thank you !