

Introduction

Vietnam is a country located in Southeastern Asia bordering the Gulf of Thailand, the Gulf of Tonkin, and the South China Sea. Neighboring countries include Cambodia, China, and Laos. The geography consists of hills and densely forested mountains in the northwest. The government system is a communist state; the chief of state is the president, and the head of government is the prime minister. Vietnam has a mixed economy in which there is limited private freedom, but the economy remains highly controlled by the government. Vietnam is a member of the Asia-Pacific Economic Cooperation (APEC), the Association of Southeast Asian Nations (ASEAN), and the Trans-Pacific Partnership (TPP).



Location: South-Eastern Asia

Capital City: Hanoi (+7 GMT)

Chief of State: President Vo Van Thuong

Head of Govt.: Prime Pham Minh Chinh

Currency: Dong (VND)

Major Languages: <p>Vietnamese (official), English (increasingly favored as a second language), some French, Chinese, and Khmer; mountain area languages (Mon-Khmer and Malayo-Polynesian)</p>

Primary Religions: <p>Buddhist 7.9%, Catholic 6.6%, Hoa Hao 1.7%, Cao Dai 0.9%, Protestant 0.9%, Muslim 0.1%, none 81.8%</p>

Calling Code: 84

Voltage: 127/220

Key Websites

Main Government Page: vietnam.gov.vn

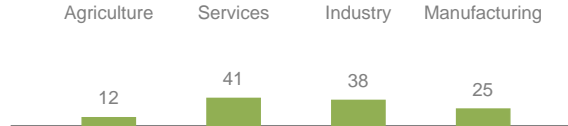
Export Promotion Agency: devex.com

Investment Promotion Agency: itpc.hochiminhcity.gov.vn
fia.mpi.gov.vn

Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$1,321.26 billion (2022)
GDP growth (annual %):	8.02% (2022)
GDP per capita, PPP (current international \$):	\$13,456.55 (2022)
External debt stocks, total (DOD, current US\$):	\$136,213,184,768.10 (2021)
Manufacturing, value added (% of GDP):	24.76% (2022)
Current account balance (BoP, current US\$):	-\$3.81 billion (2021)
Inflation, consumer prices (annual %):	3.16% (2022)
Labor force, total:	55,951,059 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	1.92% (2022)
Imports of goods and services (current US\$):	\$341.15 billion (2021)
Exports of goods and services (current US\$):	\$341.58 billion (2021)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	86 / 178
EY Globalization Index	36 / 60
Global Competitiveness Index	67 / 141
Global Enabling Trade Index	73 / 136
Global Manufacturing Competitiveness Index (GMCI)	18 / 40
Global Services Location Index	5 / 60
Index of Economic Freedom	72 / 176
International Logistics Performance Index (LPI)	39 / 160
Inward FDI Potential Index	80 / 139
KOF Index of Globalization	89 / 185
Networked Readiness Index (NRI)	79 / 139
Open Budget Index	62 / 114

Risk Assessment (Provided by Coface)

Country rating: B - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

Business Climate rating: B - The business environment is mediocre. The availability and the reliability of corporate financial information vary widely. Debt collection can sometimes be difficult. The institutional framework has a few troublesome weaknesses. Intercompany transactions run appreciable risks in the unstable, largely inefficient environments rated B.

Strengths

- Dynamic economy featuring one of the fastest growth rates in the region
- Development strategy based upon production upscaling and diversification from footwear, apparel, and furniture into electronics: manufacturing accounts for 17% of GDP
- Development of fish and crustacean production
- Large labor pool and low labor costs
- Strong agricultural potential and good endowment of natural resources
- Beneficiary of the U.S.-China trade war

Weaknesses

- Shortcomings in the business climate, led by concerns surrounding data transparency and corruption perceptions
- Incomplete reforms of the public sector, with a high level of indebtedness amongst SOEs and diminishing ROAs.
- Inadequate infrastructure levels
- Increasing inequalities
- Fragile banking system
- Dependent on China's supply chains

U.S. Embassy

U.S. Embassy Hanoi
 7 Lang Ha Street
 Hanoi, Vietnam
 Phone: +84-24-3850-5000

<https://vn.usembassy.gov>