

Sector specific opportunities in Vietnam

Energy sector

Power Between 2000 and 2012, power consumption in Vietnam increased more than 5 fold. It is forecast that between now and 2030; estimated growth will be between 12-15%. It is predicted that 20-25% of Vietnam's power will be supplied by nuclear power plants by 2050.

Vietnam's power development plan includes:

- about USD \$130 billion investment in the next 20 years
- 65.5% of investment to develop power generation
- building nuclear power plants on 7 sites
- building 183 new power plants by 2025, including 90 which will be coal based plants

There are opportunities for UK companies in all project phases including consultancy and equipment.

Opportunities for UK companies in specialist power areas include:

- education and training
- regulation and safety management
- security
- waste management
- operation management

Oil and gas Vietnam is South East Asia's third-largest oil producer. Opportunities for UK companies include supply of equipment and services for:

- seismic surveying for oil and gas exploration
- engineering, construction and production facilities
- drilling and production technologies, including drilling rigs (70-200 metres)
- oil spill management

- refineries
- health, safety and environmental waste management
- consultancy
- training and education

Contact: UKTIVietnam@fco.gov.uk for more information on opportunities in Vietnam's energy sector.

Education sector

There are a number of British education institutions doing business in Vietnam, but there are opportunities for more companies in this sector, due to the size of the market. The UK is amongst the top 5 favourite destinations for overseas study with more than 8,000 Vietnamese students, and the number is rising by 15% every year.

Vietnam has:

- a relatively young population
- recognition of the importance of education in the family
- need for better vocational training

In March 2015, the Vietnamese Prime Minister signed decision 404/Q -TTg to approve a USD \$37 million curriculum project. The Ministry of Education and Training plan to launch the curriculum and textbooks in the 2018 to 2019 academic year.

More than USD \$10 million has been spent on equipment for a trial smart school project in the past two years by the Ministry of Education and Training, with a further USD \$89 million will be spent in the next three years.

Opportunity areas in Vietnam include:

- curriculum reform
- teacher training
- English language training
- vocational and technical education
- higher education collaboration
- accreditation and certification services

- school equipment;
- supply of technology and equipment including teaching devices, E-learning tools, resources and infrastructure, etc.
- textbook developers/publishers.
- suppliers of content for digital education re: English, STEM, etc.

Contact: UKTIVietnam@fco.gov.uk for more information on opportunities in Vietnam's education sector.

Healthcare and pharmaceuticals sector

The healthcare network in Vietnam is a combined public-private system. More than 40,000 Vietnamese people travelling abroad annually to seek treatment in foreign hospitals at a cost of more than US\$2 billion. 90% of medical devices are imported.

Local production of pharmaceutical products is relatively underdeveloped, mainly producing common generic drugs. Local products accounts for only 36% value. The market depends primarily on imports, where the EU dominate the market with around 50% share.

Opportunities:

Infrastructure

- 100% foreign owned hospitals are allowed under WTO commitments.
- Tax incentives are provided for foreign investors.
- Plans to upgrade and build new hospitals are underway.

Medical equipment and devices

- Local production is underdeveloped – high demand for imported products.
- There is a common perception that UK medical equipment is top quality (though price competition from China, Korea, and Japan is fierce).

Pharmaceuticals

- According to the Ministry of Health, 53% of products are imported. Medicinal & pharmaceutical products were the UK's largest export to Vietnam at £33 million, 11% of total exports.
- 85-90% of raw materials for local production are sourced from overseas.

- Vietnam is committed to further opening the sector in line WTO commitments. Other free trade agreements – including with the EU - are also expected to bring further liberalisation.

Contact: UKTIVietnam@fco.gov.uk for more information on Vietnam's healthcare and life sciences sector.

Transport sector

By 2020, government investment in transport infrastructure will increase from USD \$7 billion to USD \$120 billion. Infrastructure plans include:

- building 2 new international standard airports
- upgrading 7 existing airports
- building 6 metro operations in Hanoi and Ho Chi Minh City

UK companies will have the opportunity to offer:

- consulting
- technology
- design / construction
- project management

As well as looking to UK companies, working in partnership with leading contractors from Japan and South Korea is also an option.

There is also huge potential for involvement in the operation of the airline industry for UK companies.

Contact: UKTIVietnam@fco.gov.uk for more information on mass transport opportunities.

Public-private partnerships

As Vietnam approaches middle-income status, donor aid will cease and public-private partnerships (PPP) will be an important way for the country to fund vital infrastructure development. The city of London has world-leading experience of PPP and going forward, UK companies will be important strategic partners.

(Source – UKTI)

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