



Vietnam, shaped like the letter “S”, bordered by China to the north, Laos and Cambodia to the west, and the East Sea and Pacific Ocean to the east and south. With mountains and hills covering three-quarters of its land and a coastline over 3,000 kilometers long, Vietnam's diverse geography profoundly influences its natural beauty, culture, and economy

## Highlights

**Income group:** Lower middle income

**Region:** Southeast Asia

**Capital:** Hanoi

**Currency:** Vietnam Dong (VND)

**Administrative divisions:** 63 provinces and municipalities

**Mainland area:** 331,690 km<sup>2</sup>

**Internet penetration rate:** 79.10%

**Mobile phone penetration rate:** 169.8%

## Demographic profile

**Population:**  
**100.3M** (2023)

Baby boomer <b>13%</b>	Gen X <b>20%</b>
(2021)	
Gen Y <b>27%</b>	Gen Z <b>24%</b>

<b>Urban population</b> <b>38.1%</b> (2023)	<b>Rural population</b> <b>61.9%</b> (2023)
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**Most crowded city**  
**Ho Chi Minh**

<b>Male</b> <b>49.9%</b> (2023)	<b>Female</b> <b>50.1%</b> (2023)
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## Employment profile

**Labour force**  
**52.4M** (2023)  
*(participation rate: 68.9%)*

**Labour force at SMEs**  
**36.1%** (2021)

**High-skilled labour ratio**  
**10.7%** (2017)

**Employment rate**  
**97.9%** (2023)

**Monthly average income**  
**US\$ 293** (2023)

**Attrition rate**  
**13.8%** (2023)

**Employment in Agriculture**  
**40.4%** (2022)

**Employment in Industry**  
**30.6%** (2022)

**Employment in Services**  
**35.8%** (2022)

## Economic profile

**GDP**  
**US\$ 433.7B** (2023)  
*Rank #5 in SEA*

**GDP per capita**  
**US\$ 4,320** (2023)

**Digital economy GMV**  
**US\$ 30B** (2023)

**ICT Market Size**  
**US\$ 15.7B** (2023)






**Percentage of SMEs**  
**97%** (2023)

**Total capital invested in startups**  
**US\$ 529M** (2023)







FDI inflows  
**US\$ 36.6B** (2023)

Export turnovers  
**US\$ 354.7B** (2023)

**Leading FDI sectors**

	Manufacturing and processing	64.2%
	Real estate	12.7%
	Electricity, gas, steam and air conditioning supply	6.5%
	Financial, banking & insurance	4.3%
	Science and technology	3.5%






**Top exports**

	Electronic goods, computers and their parts	16.2%
	Phones all of kinds and their parts	15%
	Machinery, instrument, accessory	12.2%
	Textiles and garments	9.4%
	Footwear	5.7%
	Means of transport and components	3.9%

Number of newly-established businesses

**159,294** (2023)

**Top economic activities**

	Wholesale and retail trade, repair of vehicles	39%
	Manufacturing and processing	11.8%
	Construction	10.8%
	Professional Activities (Technology; Consulting, Design; Advertising,...)	8%
	Support Services (Employment Services; Tourism; Rental,...)	5.9%

**By region**

Southeast	42.7%
Red River Delta	31%
North Central Coast and Central Coast	11.7%
Mekong Delta	7.1%
Northern Midlands and Mountains	4.9%
Central Highlands	2.5%

## Doing business in Vietnam

**Opportunities**

- Low cost to set up a business: around \$20,000
- Stable political system
- Fast growing economy
- Robust tourism, agriculture and manufacturing sectors
- Large labour pool and low labour costs

**Challenges**

- Legal hurdles and grey areas of Vietnamese law
- Inadequate infrastructure
- Cumbersome tax system
- Ineffective intellectual property enforcement system
- Shortage in high-skilled technical labours