



Top News

Vietnam ranks at sixth among Asia's fastest-growing economy

Implementation strategy for new power development plan approved

Also in the issue

Competitive landscape intensifies in Vietnam's fast-moving consumer goods

Revenue generated by the top 5 e-commerce platforms may be surged 50% this year

French investors interested in Vietnamese market

Seaport, logistics sector expected to navigate headwinds this year





Vietnam ranks at sixth among Asia's fastest-growing economy

Vietnam has solidified its position as the sixth-fastest-growing economy among Asia's top 20, according to a report on finance.yahoo.com. Forecasts indicate an upswing in Asian economies' growth rates to 4.5% this year, up from the previous estimate of 4.2%.

Determining the top 20 fastest-growing Asian economies for 2024 involves assessing real GDP growth and per capita GDP growth, internationally recognized metrics for economic growth assessment. Vietnam's ascent to sixth place is driven by projected real GDP growth of 5.8% and per capita GDP growth of 7.41% by 2024.

Leading the rankings is the Macao Special Administrative Region, followed by India, Cambodia, Bangladesh, and the Philippines. In Southeast Asia, Vietnam is trailed by Indonesia, Malaysia, Laos, and Thailand.

However, the article emphasizes the region's economic recovery hinges on effective risk management amid challenges such as China's real estate crisis, financial fluctuations in debt-burdened economies, and rising transportation costs. These factors underscore the need for strategic measures to navigate potential risks and sustain growth momentum.

The Saigontimes

[Back to top](#)



Seaport, logistics sector expected to navigate headwinds this year

Optimistic prospects in exports-imports, alongside escalating shipping costs and fresh regulations on seaport service charges, are anticipated to guide Vietnam's seaport and logistics sector through challenges this year.

According to SSI Securities Corporation, a surge in import and export demand, particularly driven by inventory restocking in the US and Europe, coupled with stable supply until 2025, is poised to bolster seaport firms' revenues. US retailers are expected to replenish stocks after depleting inventories over the past 18 months. Additionally, further interest rate cuts by the US Federal Reserve are anticipated to support consumer spending and manufacturing.

Although seaport capacity is expected to remain relatively unchanged until 2025, with the operation of several large deep-water ports, including Lach Huyen Port and Nam Dinh Vu 3 Port in Hai Phong, and Gemalink 2A Port in Ba Ria-Vung Tau province, geopolitical tensions globally may propel container freight rates upward this year, noted the firm.

The recent Ministry of Transport Circular No. 39/2023/TT-BGTVT on seaport service fees, effective from February 15, 2024, has been anticipated by industry insiders. Notably, the circular raises the ceiling price of container handling services by about 10% for both transshipment and deep-water ports compared to previous regulations, providing a basis for seaport businesses to negotiate higher handling service fees with shipping lines, as highlighted by Ho Chi Minh City Securities Corporation (HSC).

Despite challenges, seaport enterprises reported favorable performance last year, with a 5% increase in goods volume through seaports, particularly in the central and southern regions. Meanwhile, experts anticipate a rebound in the logistics segment's output this year, driven by heightened production activities, which may alleviate pressure on average freight rates.

[Back to top](#)



Revenue generated by the top 5 e-commerce platforms may be surged 50% this year

A recent report by Metric offers insights into Vietnam's burgeoning online retail market in 2023 and projections for 2024. Revenue generated by the top 5 e-commerce platforms, including Shopee, Lazada, Tiki, TikTok Shop, and Sendo, soared to VND232.13 trillion (\$9.52 billion), representing a remarkable 53.4% surge compared to the previous year.

Forecasts indicate sustained growth momentum in both revenue and sales volume for these leading platforms, with expectations of surpassing VND310 trillion (\$12.72 billion) in 2024, reflecting a robust 35% increase from 2023.

Vietnam stands out as the Southeast Asian leader in online shopping growth, with cross-border trade emerging as a prominent trend. Notably, genuine products from China and South Korea are gaining traction on online retail platforms, further fueling market expansion.

In response to evolving consumer preferences, e-commerce platforms are rolling out innovative initiatives to stimulate demand, such as "Buy now, Pay later" schemes, enhancing the shopping experience and driving continued growth in the sector.

As Vietnam's online retail market continues to evolve and expand, businesses and consumers alike stand to benefit from the convenience, variety, and competitive pricing offered by e-commerce platforms. With robust growth projections and increasing cross-border trade, the future looks promising for Vietnam's digital retail landscape. *vneconomy*



Implementation strategy for new power development plan approved

Deputy Prime Minister Tran Hong Ha has given the green light to updates in the implementation of Vietnam's Power Development Plan VIII (PDP8). Decision No. 262/QĐ-TTg, issued on April 1, provides a comprehensive overview of progress, particularly focusing on liquefied natural gas (LNG) and gas-fired power projects aimed at achieving significant capacities by 2030.

The decision outlines plans for a total imported LNG capacity of 22,400MW and domestic gas capacity of 14,930MW. Additionally, Vietnam aims to significantly boost its renewable energy sector, targeting 6,000MW of offshore wind power, 21,880MW of onshore wind power, and capacities in biomass, waste-to-energy, rooftop solar, and battery storage. Importantly, Vietnam plans to enhance energy security by importing electricity from Laos, potentially reaching 8,000MW, while exploring opportunities for power exports from the central and southern regions.

The strategy also underscores the role of renewable energy in producing green hydrogen and green ammonia for both domestic use and exports, with a planned capacity of 5,000MW by 2030.

Addressing the challenge of energy access in rural and remote areas, Decision 262 aims to connect over 910,000 homes in nearly 15,000 villages to the national grid or renewable energy projects. Additionally, Vietnam plans to establish two interregional industrial and service centers for renewable energy, fostering the development of an industrial ecosystem in this sector.

Moreover, the government's efforts extend to supplying power to small- and medium-sized water pumping stations across the Mekong Delta, benefitting almost 2,500 stations in 13 cities and provinces.

Overall, these updates underscore Vietnam's commitment to a diversified and sustainable energy future, aiming to enhance energy security, promote renewable energy, and extend electricity access to all corners of the country. VIR

[Back to top](#)



Competitive landscape intensifies in Vietnam's fast-moving consumer goods

As the competitive landscape intensifies in Vietnam's fast-moving consumer goods (FMCG) sector in 2024, brands face the urgent task of identifying unique growth drivers to maintain their edge in the market. Kantar Worldpanel Vietnam's recent report, released on March 27, sheds light on the industry's current state, revealing a dynamic environment characterized by positive economic growth projections alongside subdued consumer confidence observed at the close of 2023.

The retail landscape is undergoing a transformation, with mini stores gaining traction at the expense of traditional hypermarkets and supermarkets, whose value contribution is gradually waning. Brands vying for space in smaller formats must strategically optimize shelf space to cater to diverse shopper needs effectively.

Simultaneously, the online space is witnessing remarkable growth, attracting a larger buyer base and fostering increased purchase frequency among consumers. However, Kantar's data indicates that over half of FMCG brands struggled to keep pace with competition in 2023, particularly within rapidly growing categories.

For FMCG manufacturers, identifying key categories for investment prioritization is essential to achieve sustainable growth and profitability. Moreover, the report underscores the growing importance of value consciousness among consumers, who seek value beyond mere functionality in their purchases.

In this value-conscious environment, brands must evaluate the effectiveness of various promotional strategies to refine their approaches for sustainable brand growth. As the FMCG landscape continues to evolve, brands that adapt to shifting consumer preferences and invest in strategic growth drivers will likely emerge as market leaders in 2024 and beyond. VIR

[Back to top](#)



French investors interested in Vietnamese market

French enterprises recently convened at a talk organized by the Chamber of Commerce and Industry (CCI) of Nièvre province and the administration of Nevers city to explore investment prospects and foster economic and trade collaboration with Vietnam.

In attendance were Vietnamese Ambassador to France Dinh Toan Thang and trade and investment representatives, who reiterated Vietnam's welcoming stance towards foreign investors. They assured French businesses of the embassy and representative offices' readiness to facilitate cooperation and investment endeavors in Vietnam.

Renowned bicycle producer LOOK CYCLE expressed intentions to establish a factory in Vietnam, aiming to introduce eco-friendly bikes to the market. Similarly, EXAGON Engineering seeks collaboration with Vietnam in electric vehicle (EV) production, leveraging Vietnam's skilled labor force and EXAGON's expertise in the transport industry.

Nexson Group, boasting three decades of experience in heat exchanger and pressure vessel manufacturing, aims to explore opportunities in Vietnam's energy, petrochemical, paper, steel, liquefied natural gas, and plastic recycling sectors.

Chairman Jean-Philippe Richard of the CCI of Nièvre province affirmed the organization's commitment to supporting local firms in Vietnamese market expansion and vice versa. Nevers city Mayor Denis Thuriot echoed this sentiment, expressing a desire to enhance economic ties with Vietnam, particularly in ceramic production and transport industries.

Thuriot also highlighted Vietnamese EV manufacturer VinFast, expressing optimism about its potential in Europe and France. Established in 1888, the CCI of Nièvre province has played a vital role in assisting over 3,000 business leaders in various aspects, including digital transformation and startup support, while actively promoting economic, trade, and investment cooperation with domestic and international partners. Vietnamnet

[Back to top](#)



For more information, please contact us:

SEIKO IDEAS

Research & Consulting Division

- Our services
 - Marketing Research
 - Business Matching
 - Investment Consulting
 - Translation - Interpretation
 - Training (Language & Soft skills)
- Our clients
 - Think tanks, Universities
 - Japanese & Vietnamese Government Organizations
 - Manufacturers, Retail companies
 - Advertisement agencies, Mass media
- Head Office
 - Floor 5th – A Chau Building
 - No.24 Linh Lang Str., Ba Dinh Dist., Hanoi, Vietnam
- Rep. Office
 - 〒220-0012, 8F Wework, Ocean Gate Building
 - 3-7-1 Minatomirai, Nishi ward, Yokohama
 - Kanagawa, Japan
- Telephone
 - +84-24-6275-5246 ; +84-24-6273-6989
- Fax
 - +84-24-6273-6988
- URL
 - www.seiko-ideas.com
- Email
 - newsletter@seiko-ideas.com