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## Vietnam's hospitality and real estate sectors are on the brink of strong growth

Vietnam's hospitality and real estate sectors are on the brink of strong growth, driven by a focus on sustainability and wellness. Industry experts at the recent Meet The Experts (MTE) conference in Hanoi highlighted the shifting landscape, noting a growing demand for luxury experiences, second-home properties, and wellness-centered developments, especially from Asian tourists.

Mauro Gasparotti, Director at Savills Hotels, emphasized Vietnam's potential to become a leading destination for luxury and wellness tourism, with the sector seeing rising interest in high-end travel experiences. To adapt to these trends, many hotel owners are rebranding and repositioning their assets to offer greater flexibility, as well as upgraded amenities to accommodate the surge in group travel.

Uyen Nguyen, Head of Consultancy at Savills Hotels, compared Vietnam's progress to Thailand's tourism model, suggesting that strategic planning, enhanced infrastructure, and targeted marketing could elevate Vietnam's tourism potential. Innovative concepts, like lifestyle hotels, luxury glamping, and eco-friendly resorts, were showcased at the conference, with an emphasis on wellness features and ultra-luxury projects that cater to evolving traveler expectations.

As the industry embraces sustainable practices, Vietnam's hospitality and real estate sectors are positioned to capture a larger market share in wellness tourism, aiming for a balance between luxury and ecological responsibility. the Saigontimes



## The future of e-commerce logistics in Vietnam holds numerous opportunities

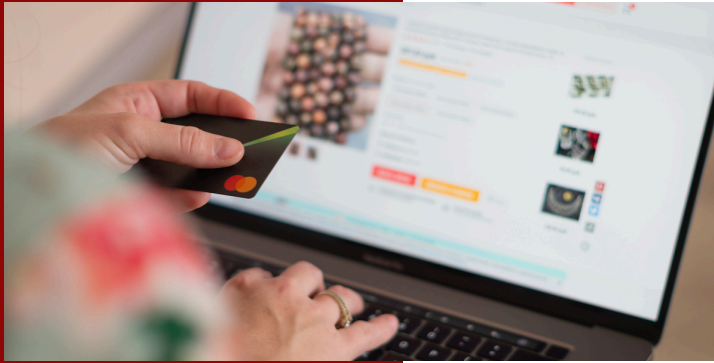
The rapid growth of e-commerce in Vietnam in recent years has made logistics a key factor in determining business success. With an annual growth rate of about 20–30% and revenue reaching USD 16.4 billion in 2023, Vietnam has become an attractive e-commerce market in Southeast Asia. Major platforms like Shopee, Lazada, Tiki, and Sendo have made it easier for consumers to shop online, while also putting pressure on the logistics industry to meet demand for fast and efficient deliveries.

To satisfy consumer needs, logistics companies such as Giao Hang Tiet Kiem, Ninja Van, Shopee Express, and Lazada Logistics have invested in infrastructure, expanded warehouse networks, and adopted technology. Fast delivery has become a critical criterion, with 89% of buyers wanting their orders within 2–3 days. These companies have implemented smart tracking systems and big data to optimize operations, reduce errors, and improve delivery speed.

However, the e-commerce logistics industry still faces many challenges, such as underdeveloped transport infrastructure and high operational costs. To improve efficiency, companies are adopting automation, driverless vehicles, and artificial intelligence (AI) in their delivery processes. These trends not only create competitive advantages but also better meet market demands.

The future of e-commerce logistics in Vietnam holds numerous opportunities for companies that quickly embrace and adapt to technology. In this fierce competition, only businesses that innovate, enhance services, and effectively leverage new technology will be able to lead the market. Baodautu

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## Vietnam plans to end the VAT exemption on imported goods valued under \$41

Vietnam plans to end the VAT exemption on imported goods valued under approximately \$41 (VND1 million), according to Deputy Prime Minister Ho Duc Phoc. This exemption, rooted in Decision 78 and consistent with Vietnam's commitments under the Tokyo Convention, previously allowed tax-free entry for lower-value imports via e-commerce platforms like Shopee and Temu. However, unlike Vietnam, other Tokyo Convention signatories have not adopted similar exemptions.

A draft law suggests extending VAT to all imported goods, regardless of value, reflecting concerns over lost tax revenue from rising e-commerce imports. Recent data shows that as of March 2023, approximately 4 to 5 million low-value orders are imported daily from China through e-commerce, translating to roughly \$45 million to \$63 million worth of untaxed goods.

The National Assembly Standing Committee has stressed that Decision 78's exemption has resulted in significant revenue losses and competitive imbalances. Abolishing this exemption is expected to ensure fairer competition for domestic sellers while enhancing tax collection on e-commerce imports, aligning Vietnam's practices with international norms. The Saigontimes





## Germany's PNE is considering a US\$ 4.5 billion investment in an offshore wind farm in Vietnam

Germany's PNE is considering a \$4.5 billion investment in an offshore wind farm in Binh Dinh, Vietnam, aiming to generate 2,000 megawatts in three phases. Once operational, the project is expected to deliver 7.1 billion kilowatt-hours annually to Vietnam's national grid and contribute approximately VND1.6 trillion (\$63 million) in taxes.

Binh Dinh's 134-kilometer coastline presents a favorable setting for wind power; however, the lack of a clear regulatory framework has delayed offshore wind project approvals in Vietnam. Experts, including Nguyen Tuan from PetroVietnam Technical, highlight the need for incentives like reduced land and water fees, tax breaks, and loan support to attract investors in this capital-intensive sector.

Vietnam's wind power potential is significant, with the World Bank estimating 600 gigawatts offshore. Yet, projects like Denmark's CIP's proposed 3.5-gigawatt La Gan wind farm have faced delays due to regulatory issues. The Ministry of Natural Resources and Environment has paused offshore wind survey approvals, impacting investor interest. To achieve its 6,000-megawatt wind energy goal, Vietnam may need to implement clearer policies and financial incentives to support offshore wind development. vnexpress



## The Vietnamese pharmaceutical market projected to grow to US\$ 20 billion by 2045

Through a strategy of high-tech pharmaceutical production, Vietnamese enterprises aim to ensure stable drug supplies domestically and integrate into the global supply chain. The Vietnamese pharmaceutical market, valued at approximately \$8 billion in 2023, is projected to grow to \$20 billion by 2045, making it one of the fastest-growing markets worldwide. Despite this, leading foreign players currently dominate the market.

Vietnam's national strategy for developing the pharmaceutical industry by 2030, with a vision for 2045, targets meeting 80% of domestic drug demand and capturing 70% of market value. This goal has intensified competition among pharmaceutical companies for a stronger market position. As of October 2024, around 288 drug manufacturing facilities in Vietnam meet GMP standards, with only 31 adhering to EU-GMP or Japan-GMP standards.

Prominent domestic companies, such as Imexpharm, DHG Pharma, and StellaPharm, are emerging as leaders, with Imexpharm leading in high-quality drug production that meets EU-GMP standards. Imexpharm recently raised its charter capital to \$60.68 million, strengthening its financial position and allowing for significant investment in R&D and advanced pharmaceutical technologies.

The company reported a revenue increase of 12% year-on-year in the first nine months of 2024, achieving 66% of its revenue target. Pre-tax profits rose by 42% in September. Imexpharm launched 16 new products this year and is managing 99 R&D projects, helping to replace imported drugs and enhance domestic competitiveness.

Experts predict the growth of large-scale pharmaceutical companies like Imexpharm will boost Vietnam's production capacity and pharmaceutical export potential, positioning the country as a future regional pharmaceutical hub. vnexpress

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## Vietnam to revise investment laws to encourage growth in key infrastructure and business projects

Vietnam is implementing sweeping amendments to its investment laws to address procedural delays and encourage growth in key infrastructure and business projects. Led by Minister of Planning and Investment Nguyen Chi Dung, these reforms target the core issues slowing investments, with amendments proposed for the Public Investment Law and revisions to the laws governing Planning, Investment, Public-Private Partnerships (PPP), and Bidding. This substantial update aims to streamline processes, reduce bureaucratic burdens, and decentralize decision-making, especially for industrial and outbound investments, marking a significant shift toward empowering local authorities.

The amendments come in response to stagnant public investment spending, which General Secretary To Lam attributes to legislative complexities rather than implementation issues. In a proactive move, Prime Minister Pham Minh Chinh has created a task force under Deputy Prime Minister Nguyen Hoa Binh to address nearly 160 stalled projects, involving both judicial and executive leaders to expedite solutions.

To meet growing infrastructure demands, the proposed PPP law revisions extend to sectors previously reserved for public investment, paving the way for private sector involvement in projects like transportation and energy. This broadened scope is essential as Vietnam tackles its need for hundreds of billions of dollars for developments, including the North-South High-Speed Railway and extensive metro systems. Such reforms are poised to attract more private capital, creating a conducive environment for sustained economic growth and resilience.

By aligning legislative processes with the country's evolving needs, these amendments signal a transformative period for Vietnam's investment landscape, fostering efficiency, transparency, and investor confidence. Vietnamnet

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