VIETNAM BUSINESS REVIEW

Vol 26, Jul 08 2026

Top News

Global banks increasingly view Vietnam as a core ASEAN market

Petrovietnam Gas has signed a five-year liquefied natural gas purchase agreement with Shell Eastern trading

Also in the issue

Retailers drive Vietnam’s shift toward a circular consumer economy

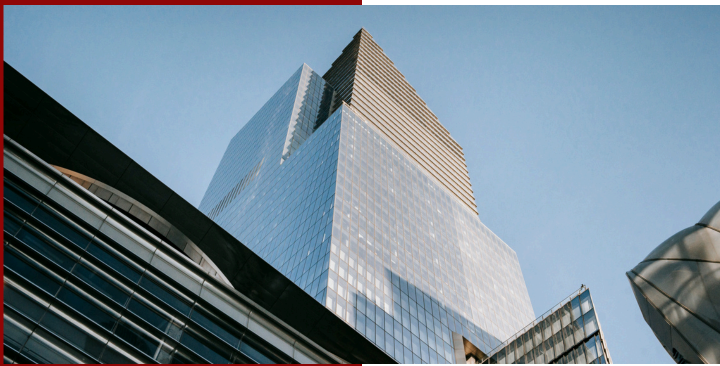
E-commerce of Vietnam shift from prioritizing market expansion to strengthening governance

Vietnam's foreign direct investment performance in the first half of 2026 suggests more than a cyclical rebound

Ho Chi Minh City to integrate port logistics to strengthen regional supply chains

www.seiko-ideas.com

SEIKO ideas
Success with you



Global banks increasingly view Vietnam as a core ASEAN market

UOB Vietnam's decision to invest US$450 million in a purpose-built headquarters within the Vietnam International Financial Center (VIFC) is more than a real estate project, it is a strategic vote of confidence in Vietnam's long-term financial trajectory. As the first foreign bank to own a dedicated office tower in the emerging financial district, UOB is positioning itself ahead of what could become Southeast Asia's next major financial hub.

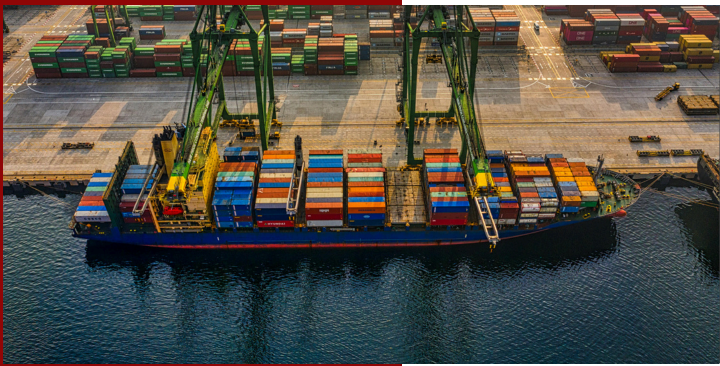
The investment reflects three broader financial trends. First, it signals growing confidence among international financial institutions in Vietnam's macroeconomic stability and sustained growth. A long-term capital commitment of this scale suggests that global banks increasingly view Vietnam as a core ASEAN market rather than simply an emerging opportunity.

Second, the project reinforces Ho Chi Minh City's ambition to become a regional financial center. International financial hubs are built not only through policy reforms but also through the physical presence of leading global institutions. UOB's headquarters is likely to encourage other banks, asset managers and financial service providers to establish operations, strengthening the city's financial ecosystem and international credibility.

Third, the development highlights the increasing role of cross-border finance in Vietnam's next phase of economic growth. Beyond serving domestic clients, UOB intends to expand its capabilities to facilitate capital flows, trade finance and investment across ASEAN. Combined with government priorities in infrastructure, high technology, green transition and innovation, the bank's expanded presence could improve access to international capital for strategic sectors.

For investors, the groundbreaking represents more than a corporate expansion. It is an early indicator that Vietnam is evolving from a manufacturing-driven economy into a regional financial gateway, supported by deeper capital markets, stronger international connectivity and growing institutional participation. Tuoitrenews

Back to top



Ho Chi Minh City to integrate port logistics to strengthen regional supply chains

Ho Chi Minh City has taken another step toward reinforcing its position as Southeast Asia's logistics gateway with the groundbreaking of the QTM International Port, a US$270 million project designed to handle up to 16 million tonnes of cargo annually. More than a capacity expansion, the development signals Vietnam's strategic shift from building standalone port infrastructure to creating integrated logistics ecosystems.

Located within the Cai Mep–Thi Vai deep-water port complex, the new terminal will eventually feature eight berths capable of accommodating vessels of up to 100,000 DWT, alongside nearly 200,000 square metres of warehousing and logistics facilities. The combination is expected to improve cargo consolidation, shorten container dwell times, and enhance the efficiency of regional supply chains.

The project also reflects growing demand driven by the expansion of Ho Chi Minh City's economic footprint and rising cargo volumes across southern Vietnam. As manufacturing investment continues to flow into the region, modern port infrastructure is becoming increasingly critical to supporting export competitiveness and strengthening international shipping connectivity.

Equally important is its potential to address one of Vietnam's longstanding structural challenges. With logistics costs still estimated at 14–16% of GDP, significantly higher than those of many developed economies, integrated port and logistics developments offer an opportunity to reduce transportation costs while improving supply chain resilience. If complemented by stronger road, inland waterway, and future rail connections, the QTM International Port could evolve into a key logistics hub for the Southern Key Economic Region and reinforce Vietnam's ambition to become a leading maritime and trade gateway in Asia. VNE

Back to top

E-commerce of Vietnam shift from prioritizing market expansion to strengthening governance

Vietnam's amended E-Commerce Law, which came into force on July 1, marks a significant shift from prioritizing market expansion to strengthening governance of the country's fast-growing digital economy. For foreign e-commerce providers, the legislation signals that compliance will increasingly determine long-term competitiveness.

The most immediate change is the expanded accountability of digital platforms. Marketplace operators, social commerce platforms and livestream providers can no longer position themselves as passive intermediaries. They are expected to verify sellers, monitor content, detect counterfeit products, retain transaction records and cooperate with regulators. This elevates compliance capabilities—including AI-powered content moderation, seller verification and risk management—from operational support functions to strategic investments.

The law also introduces stricter oversight of livestream commerce, one of Vietnam's fastest-growing online retail channels. While livestreaming remains a powerful sales engine, hosts and platforms will now share greater responsibility for product disclosures, advertising claims and transaction records. Platforms that can combine real-time moderation with effective consumer protection are likely to gain a competitive advantage as trust becomes a key differentiator.

Finally, the legislation establishes a clearer framework for cross-border e-commerce. International platforms serving Vietnamese consumers will need to align more closely with local requirements covering consumer protection, personal data, taxation and dispute resolution. Although compliance costs will rise in the short term, greater regulatory clarity should improve consumer confidence and create a more sustainable operating environment.

For global e-commerce providers, Vietnam is evolving from a high-growth market into a regulated digital economy where operational excellence, governance and trust will increasingly define market leadership. VNS

Back to top

Petrovietnam Gas has signed a five-year liquefied natural gas purchase agreement with Shell Eastern trading

Vietnam's first long-term LNG import agreement marks a structural shift in the country's energy strategy, moving beyond spot-market procurement toward a more secure and internationally integrated gas supply model.

Petrovietnam Gas (PV GAS) has signed a five-year liquefied natural gas purchase agreement with Shell Eastern Trading covering 2027–2031, establishing the first long-term LNG supply contract in Vietnam's history. More than a commercial transaction, the deal provides a critical foundation for fuel security as the country accelerates investment in gas-fired power under its revised Power Development Plan VIII.

For an emerging LNG market, long-term contracts remain essential to balancing price volatility and ensuring reliable feedstock for power generation. By locking in supply with one of the world's largest LNG portfolio players, Vietnam reduces exposure to increasingly competitive spot markets while improving the bankability of future LNG-to-power projects.

The agreement also signals PV GAS's growing maturity as an international LNG buyer. Its successful execution through an open global tender demonstrates the company's ability to meet international procurement, risk management and contractual standards, strengthening its credibility among global suppliers and financial institutions.

Equally significant is the strategic partnership with Shell, which supplied Vietnam's inaugural LNG cargo to the Thi Vai terminal in 2023. The latest agreement deepens that relationship and connects Vietnam more firmly to global LNG supply chains, providing greater access to diversified cargoes and international trading expertise.

As Southeast Asia's electricity demand continues to expand, Vietnam's transition from building LNG infrastructure to securing long-term fuel supplies is likely to become a defining milestone in strengthening energy security while supporting a lower-carbon power system.

Back to top

Retailers drive Vietnam's shift toward a circular consumer economy

Vietnam's leading retailers are accelerating the transition toward sustainable consumption, positioning circular economy practices as a strategic pillar for future growth rather than simply an environmental commitment.

Major retail chains, including Central Retail, AEON Vietnam, Lotte Mart and MM Mega Market, have introduced comprehensive measures to curb single-use plastics. From replacing conventional carrier bags with biodegradable alternatives to expanding reusable bag programmes and packaging recycling initiatives, retailers are reshaping store operations to meet rising consumer and regulatory expectations on sustainability.

The industry's focus is moving beyond reducing plastic waste to redesigning the retail value chain. Waste separation, post-consumption packaging collection and recycling are becoming integral parts of business operations, reflecting a broader effort to create closed-loop supply chains. These initiatives demonstrate that operational sustainability is increasingly viewed as a source of competitive advantage, capable of strengthening brand reputation while improving resource efficiency.

Yet the transition cannot be achieved by retailers alone. Success depends largely on consumers adopting greener shopping habits, such as bringing reusable bags and participating in recycling programmes. Industry leaders see campaigns like Plastic Bag Free Day as essential tools to encourage behavioural change and build wider public awareness of sustainable consumption.

As Vietnam's retail market continues to expand, sustainability is emerging as a defining competitive factor. Retailers that successfully integrate circular economy principles into their operations are expected to be better positioned to meet evolving customer expectations, comply with future environmental regulations and enhance long-term business resilience. Rather than treating environmental responsibility as a cost, the sector is increasingly viewing green retail as an investment in future growth and a key enabler of Vietnam's sustainable consumer economy. VIR

Back to top

Vietnam's foreign direct investment performance in the first half of 2026 suggests more than a cyclical rebound

Vietnam's foreign direct investment (FDI) performance in the first half of 2026 suggests more than a cyclical rebound—it points to a strengthening investment cycle underpinned by expanding manufacturing capacity and sustained foreign confidence. While total registered FDI surged 61% year on year to US$34.65 billion, the more telling indicator was realised FDI, which climbed 11.2% to a five-year first-half high of US$13.03 billion. For investors, capital deployment rather than commitments remains the clearest measure of confidence, indicating that projects are moving from approval to execution despite global economic uncertainty.

The investment pipeline has broadened across all channels. Newly licensed projects nearly doubled in value, additional capital for existing operations continued to rise, and mergers and acquisitions jumped almost 90%, signalling that multinational corporations are simultaneously entering, expanding and consolidating their presence in Vietnam. Such diversification reflects growing confidence in the country's long-term economic prospects rather than short-term cost advantages.

Manufacturing continues to dominate the investment landscape, accounting for 63% of registered FDI and more than 82% of realised inflows. The concentration of capital in advanced manufacturing reinforces Vietnam's role as a strategic production hub within global supply chains, particularly as companies pursue supply chain diversification across Asia.

Singapore and South Korea remained the largest investors, while Japan and China maintained significant commitments, highlighting Vietnam's importance to regional capital flows. Meanwhile, rising investment in real estate, technology-related services and professional activities suggests foreign capital is gradually shifting beyond export manufacturing toward higher-value sectors. This evolving investment mix supports a more resilient growth model, positioning Vietnam not only as a manufacturing destination but increasingly as a regional platform for innovation, services and long-term capital deployment. VIR

Back to top

SEIKO ideas
Success with you

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., Ngoc Ha Ward., 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