VIETNAM BUSINESS REVIEW

Vol 33, 26 Aug 2026

Top News

Vietnam is considering a digital retail government bond programme

Petrovietnam-AFD partnership signals a new phase in Vietnam's energy transition

Also in the issue

South Korean fashion platform Musinsa is taking a more ambitious step into Vietnam

Vietnam's E-Commerce market enters a more institutional phase

Vietnam's investment cycle moves beyond low-cost manufacturing

Chu Lai's emergence as a regional logistics gateway could reshape the flow of goods across central Vietnam

Vietnam is considering a digital retail government bond programme

Vietnam is considering a digital retail government bond programme that could reshape how households participate in the sovereign debt market while giving the state a broader and potentially more stable funding base.

The first strategic benefit is investor diversification. Vietnam's government bond market remains dominated by institutional buyers such as banks, insurers and securities firms. Allowing individuals to purchase sovereign bonds digitally could channel a larger share of household savings directly into public financing. Over time, this could reduce reliance on a relatively narrow group of institutional investors while giving households another low-risk alternative to bank deposits, gold and property.

A second priority is market structure. IMF experts have suggested integrating retail distribution with the existing wholesale issuance framework rather than creating a separate class of bonds. This approach would allow individuals to access existing government securities through non-competitive bidding or authorized dealers. It would also preserve liquidity, avoid fragmenting benchmark bond lines and make use of current settlement and custody infrastructure.

The more difficult challenge lies in pricing and liquidity. Retail bonds must offer sufficient returns to attract individuals without drawing excessive deposits away from the banking system. Policymakers must also determine how investors can exit before maturity, whether through secondary-market trading, dealer repurchases or a hybrid mechanism.

Digitalisation can lower distribution costs, but the programme's success will ultimately depend on product design. If Vietnam balances accessibility, pricing and liquidity carefully, retail government bonds could become both a funding tool and a meaningful step toward deepening the domestic capital market. Thoibaotaichinhvietnam

Back to top

Chu Lai's emergence as a regional logistics gateway could reshape the flow of goods across central Vietnam

Chu Lai's emergence as a regional logistics gateway could reshape the flow of goods across central Vietnam, as Da Nang expands southward and industrial investment deepens across the region.

The first shift is geographical. Chu Lai is moving beyond its traditional role as a port serving nearby factories. Its location gives it the potential to consolidate cargo from central Vietnam, the Central Highlands, southern Laos and northern Cambodia before linking those flows to international shipping routes. That broader hinterland could make the port more relevant to regional supply chains.

The second advantage lies in integration. Chu Lai is developing not only berths, but also warehouses, container yards, cold-chain services and multimodal transport links. For exporters, this matters because port choice is increasingly determined by total logistics cost rather than quay capacity alone. Shorter inland journeys, faster cargo handling and better consolidation could improve competitiveness for manufacturers and agricultural exporters.

The third factor is scale. Da Nang and Chu Lai will generate more value if they operate as complementary gateways rather than competing ports. Rising industrial investment and planned expansion of economic zones could increase cargo density, supporting more frequent international services and reducing dependence on transshipment through larger hubs.

The challenge is execution. Infrastructure alone will not create a logistics hub. Stable cargo volumes, efficient cross-border corridors and coordinated regional planning will be essential if Chu Lai is to become a durable link between mainland Southeast Asia and global shipping networks. That transition could significantly strengthen central Vietnam's export connectivity.

Back to top

E-commerce

Vietnam's E-Commerce market enters a more institutional phase

Vietnam's e-commerce sector is moving beyond a growth model driven mainly by discounts, platform subsidies and seller acquisition. The next phase is increasingly being shaped by social commerce, brand credibility and tighter market formalization.

The first shift is the institutionalization of social commerce. TikTok Shop is no longer simply a channel for brands and independent sellers. Local authorities and industry associations are beginning to integrate livestreaming, short-form video and digital storefronts into economic development programs. Initiatives in Vinh Long and at Vietfish suggest that social commerce is becoming part of the infrastructure used to connect local producers with wider consumer markets.

Competition between TikTok Shop and Shopee is also becoming more structural. TikTok Shop's 54.7% share of online personal-care sales indicates that content-led discovery can outperform conventional search-based commerce in categories where demonstration, recommendation and influencer credibility affect purchasing decisions. At the same time, Mall stores accounting for 59.1% of sales shows that authenticity and trust are becoming as important as price.

A third change is regulatory. Vietnam is gradually moving from encouraging online selling to building a more formal digital-commerce ecosystem. Tax filing, electronic invoices, transaction data, digital contracts and seller capability are increasingly being addressed together.

This may raise compliance costs for smaller merchants in the near term. Over time, however, it should favor official brands, professional sellers and platforms with stronger governance, potentially making Vietnam's e-commerce market more transparent, scalable and investable.

Back to top

Petrovietnam-AFD partnership signals a new phase in Vietnam's energy transition

Petrovietnam's latest partnership with the French Development Agency points to a deeper shift in Vietnam's energy transition: the challenge is no longer setting green ambitions, but creating projects that international lenders are willing to finance.

The first priority is bankability. Large-scale energy projects, particularly offshore wind and grid infrastructure, require more than technical feasibility. They need credible risk allocation, robust environmental and social safeguards, and financing structures that meet international standards. AFD's involvement could therefore help Petrovietnam move projects from policy intent to investment-ready assets, an increasingly important step as Vietnam seeks long-term capital for its power transition.

The second issue is corporate transformation. Petrovietnam is gradually moving beyond its traditional oil and gas base toward a broader energy and industrial model. Hydrocarbons will remain important for energy security, but future growth is likely to come from electricity, offshore renewables, energy infrastructure and associated engineering services. This creates a dual mandate: preserve supply reliability while building new low-carbon businesses.

Offshore wind offers the clearest strategic fit. Petrovietnam already possesses marine engineering, fabrication, logistics and offshore operating capabilities developed through decades of oil and gas activity. These capabilities can be redeployed across the offshore wind value chain, while European partners provide project development expertise, grid integration knowledge and access to green finance.

If executed well, the partnership could help Petrovietnam evolve from a national petroleum champion into a broader energy platform, while giving Vietnam a stronger domestic anchor for its next generation of power projects. VIR

Back to top

South Korean fashion platform Musinsa is taking a more ambitious step into Vietnam

South Korean fashion platform Musinsa is taking a more ambitious step into Vietnam, moving from cross-border e-commerce to physical retail as competition for Southeast Asia's urban consumers intensifies.

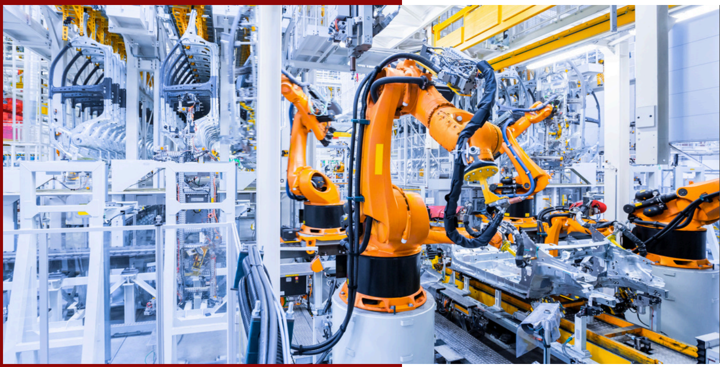
The company's decision to enter Vietnam through ACFC, part of Imex Pan Pacific Group, suggests a pragmatic expansion model. Rather than building a retail network from scratch, Musinsa can tap an established partner with experience in store operations, brand management and premium distribution. This approach should shorten market-entry time and reduce execution risks in areas such as location selection, logistics and local merchandising.

More importantly, Musinsa is entering with evidence of existing demand. Purchases by Vietnamese shoppers on its global platform rose by roughly 40% a year between 2023 and 2025. That gives the company a stronger basis for offline investment than many foreign brands entering primarily on macroeconomic expectations. Physical stores can now serve not only as sales channels, but also as brand-building and customer-acquisition hubs supporting a broader omnichannel strategy.

Musinsa Standard's positioning may also fit a widening gap in Vietnam's apparel market. Young, digitally engaged consumers increasingly seek products that offer stronger design identity and quality without moving into luxury pricing. Korean fashion could benefit from this shift.

The larger test will be execution. Musinsa must localize pricing, product mix and store experience while competing with global fast-fashion chains and online marketplaces. If successful, Vietnam could become a scalable base for its broader Southeast Asian expansion.

Back to top



Vietnam's investment cycle moves beyond low-cost manufacturing

Vietnam's latest investment signals point to a broader shift in the country's growth model: foreign capital is moving beyond export manufacturing and into the infrastructure that supports a higher-value economy.

The clearest example is a planned $508.7 million data centre project in Ho Chi Minh City, backed by Singapore-linked investors. With a designed capacity of 52MW, the project reflects rising demand for cloud computing, artificial intelligence and digital services. For investors, this suggests that Vietnam is beginning to attract capital not only for factories, but also for the digital infrastructure needed to support them.

A second signal comes from Messer, which is investing about $40 million to expand industrial gas capacity in northern Vietnam. While smaller in absolute value, the project is strategically important because industrial gases are critical inputs for electronics and semiconductor manufacturing. Such investment indicates that supplier ecosystems are deepening around Vietnam's high-tech industrial clusters.

The broader macro picture reinforces this trend. Registered foreign investment reached about $38.1 billion, up roughly 58% year on year, while realised FDI also continued to rise. Manufacturing still dominates inflows, but the composition is becoming more sophisticated.

The investment story, therefore, is no longer simply about Vietnam as a lower-cost production base. The more important development is the simultaneous build-out of high-tech manufacturing, digital infrastructure and supporting industrial services.

If sustained, this could improve Vietnam's ability to capture a larger share of regional value chains — and make the country increasingly attractive to long-term strategic investors rather than purely cost-driven manufacturers. VNS/VIR

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., 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