



# INTERNATIONAL PARTNERSHIPS

## EU & Vietnam

03.2020

### COUNTRY OVERVIEW

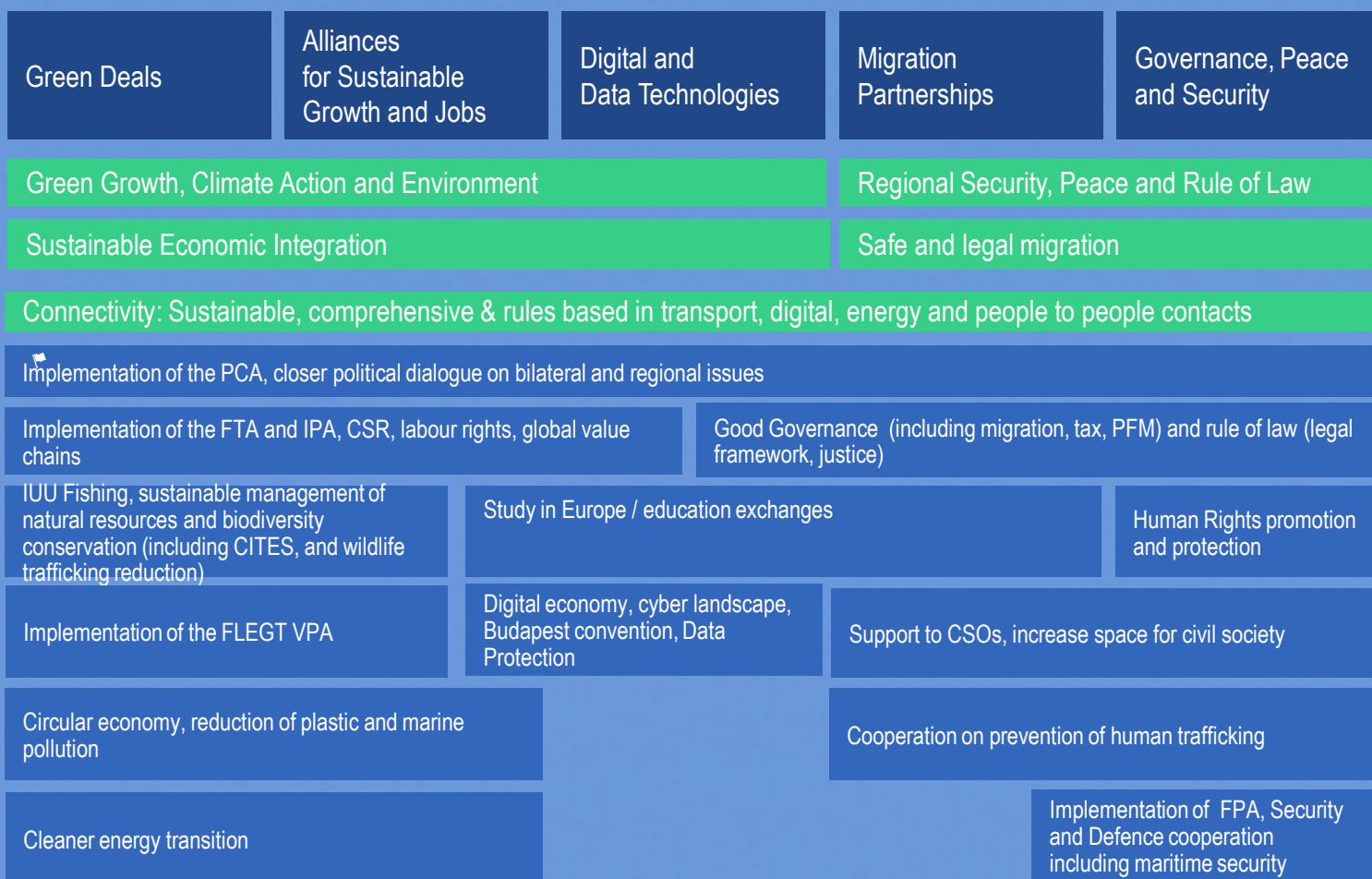
Key figures 	Key policies 	Vision 	Challenges 
World's 15 <sup>th</sup> largest country Population 96 million, 106 million by 2030	SEDS/SEDP: Maintaining stable high growth rates to continue poverty reduction	Avoiding Middle Income Trap and working towards more sustainable growth	Shared prosperity: Unequal poverty reduction, ethnic minorities left behind
46% of population under 30	SEDS/SEDP/Int Dev Str: Transition from rural agricultural economy to low-cost manufacturing	Preparing for Industrial Revolution 4.0 and moving up the global value chain	Vietnam in top 10 countries at risk of climate change impact
65% of the population in rural areas, fast urbanisation	SEDS/SEDP/Str for Int Integration: Internationally open, with free trade agreements at the core	Stronger role in ASEAN and multilateral fora	Adequate implementation of FTA and IPA
GDP USD 224 billion Average GDP growth 6%/year	SDS/SDP: (i) Building market economy, (ii) high quality human resources, STEM, and (iii) innovation.	Political stability in a socialist oriented market economy	Corruption and vested interests
Human Development Index (0,693), ranking 118 out of 189 countries	NDCs: 8% GHG emission reduction by 2030, up to 25% with international support	Sustainable financing	Human rights and shrinking space for civil society (e.g. national security vs need for online space for innovation)
EU/VN trade growth 12%/year EU purchases 17% of Vietnam's global exports	MTFF/SEDP: Investment in infrastructure balanced against limits with debt ceiling	7% average GDP growth >2025, GDP/capita USD 8000 by 2030, Total Factor Productivity up 45% by 2025	Self-imposed debt ceiling and domestic resource mobilisation
2018 ODA volume USD 2,3 bn, but decreasing as a lower MIC.	PDP8: Ensuring power generation capacity and distribution to keep pace with development	Increasing awareness of environmental impact of carbon-based economy	Environmental damage and Biodiversity loss
World's 10 <sup>th</sup> largest receiver of overseas remittances (USD15.9bn)	CPV resolutions on development of national industry and restructuring of State Owned Enterprises	Key Vietnamese brands as world players	Geopolitical threats in East Sea

# EU INTEREST

Geopolitical ally in Asia, ASEAN and multilateral fora. Sustained market access and increased investment opportunities for EU companies. Support to achieving SDGs as a more prosperous and free society. Key country in climate change mitigation and adaptation, environmental protection.

Political	Financial/Private sector	Social	Environmental
Human rights, inclusiveness	Market access / EVFTA	Good Governance, Rule of Law, PFM	Sustainable Energy
Support for Multilateralism, regional dimension, ASEAN	Labour rights	Gender equality	Green / Blue / Circular economy/SCP
Security and Defence	Business environment/Data protection	Civil society space	Climate change adaptation
	IPA	Poverty / Inequality / Ethnic minorities	FLEGT VPA
	CSR	Migration / Human trafficking	IUU fishing
			Biodiversity, wildlife, CITES

## PROPOSED EU RESPONSE



### Democracy/HR

Support VN capacity building, share best practices to align its legal/regulatory framework on international norms and standards through a results-led approach (via technical assistance, peer-to-peer cooperation and/or study tours, UN bodies)

### Multilateralism

Promotion of multilateralism and international rules-based order, cooperation with traditional and non-traditional partners.

### Other external policy objectives (e.g. Human capital, demography, etc.)

Promote an increasing role for home-grown civil society to get engaged in public debate and reform to improve public service delivery.