



Report on Development of Chinese Enterprises in Vietnam (2023-2024)

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Joint Conference of Chinese Overseas Chambers of Commerce
Business Association of China in Vietnam

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Preface

Vietnam has been experiencing rapid economic development over the years and is one of the few countries in Southeast Asia that maintained strong growth in 2023. Meanwhile, the bilateral diplomatic relation between Vietnam and China has become further deepened. In 2024, Vietnam and China have seen multiple friendly diplomatic exchanges and promoted the construction of a community of shared future with strategic significance up to now. On June 26, President Xi Jinping met with Phạm Minh Chính, the Prime Minister of Vietnam, who visited China to attend the Summer Davos Forum. In the meeting, President Xi Jinping emphasized that China had been always giving priority to Vietnam in neighborhood diplomacy and firmly supporting Vietnam in pursuing the path of socialism that suits Vietnam's national conditions. President Xi Jinping said that China is willing to enhance exchanges and mutual learning, deepen mutually beneficial cooperation and march towards modernization with Vietnam, purporting to build a community of shared future and centering on the overall objectives (the economy is more developed; democracy is more robust; science and education are more advanced; culture is more prosperous; society is more harmonious; and the people live a better life), in order to make greater contributions to the peace, stability, development and prosperity of the world.

The cooperation between Vietnam and China on trade and investment has been increasingly deepened and achieved practical results, becoming a highlight in the relationship between the two countries in recent years. Vietnam and China have maintained frequent visits at the top level and entered

into multiple agreements on economic cooperation covering infrastructure construction, digital economy, green energy and many other fields, which further reinforced the mutual trust and basis for cooperation between the two countries. The Government of Vietnam has said that it will continue to optimize the business environment in Vietnam and issue more supporting policies to attract further investments from Chinese enterprises.

The positive macroeconomic environment in Vietnam as well as the continuously improved trade and economic relations between Vietnam and China have injected confidence for Chinese enterprises to enter Vietnam. Vietnam possesses the following four advantages for Chinese investors intending to make overseas investments: Vietnam is geographically close to China; the cost of labor in Vietnam is relatively low; the Vietnamese market is underdeveloped; and the economic development path of Vietnam is highly similar to that of China. Chinese enterprises have been increasing investments in Vietnam. Many manufacturing enterprises have started to deploy manufacturing sites in Vietnam. Chinese enterprises have formed a dual-core industrial cluster in Vietnam which mainly consists of labor-intensive manufacturing industry and consumer electronics industry.

According to the *Report on Attracting Foreign Direct Investment Funds* released by the Ministry of Planning and Investment of Vietnam, the foreign direct investment in Vietnam in 2023, including newly registered capital, increased capital contribution and capital contribution through share purchase, totaled nearly 28.85 billion US dollars, increasing by 14.8% over the previous year. In terms of the number of projects, China took the lead in new project registrations, accounting for 22.1%. As shown by the data issued by the Ministry of Planning and Investment of Vietnam, China currently has a total of 4,032 investment projects in Vietnam, with a total registered capital of more than 26 billion US dollars, ranking sixth among the 144 countries and regions

investing in Vietnam. In terms of bilateral trade, China has been the largest trade partner of Vietnam for many years, while Vietnam is China's largest trade partner in the Association of Southeast Asian Nations and the 4th trade partner in the world.

It's not easy for Chinese enterprises to enter the Vietnamese market. It can be learned from the failed cases that investment made without preparation will be faced with many potential legal risks. Chinese enterprises need to further understand and make full use of Vietnam's investment policies, abide by Vietnam's laws and regulations, and carry on business in strict accordance with the applicable laws and regulations, in order to avoid unnecessary losses.

This report begins from the introduction of the development of Chinese enterprises in Vietnam, responds to the needs of the Chinese enterprises who are interested in investing in Vietnam and who have already invested and carried on business in Vietnam, and presents a detailed analysis of the business environment, policies and legal regulations, investment opportunities and risks in Vietnam. This report consists of six parts, namely the general macroeconomic conditions in Vietnam, overview of Chinese enterprises in Vietnam, investment opportunities and risks faced by Chinese enterprises in Vietnam, relevant demands and suggestions related to the investment and operation of Chinese enterprises in Vietnam, and new development opportunities for Chinese enterprises in the context of digital and green economy. This report elaborates new contents and reflects new trends based on the new situation, hoping to provide reference for the investment and operation of Chinese enterprises in Vietnam.

Business Association of China in Vietnam

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Chapter 1 Overview of Chinese Enterprises in Vietnam

1.1 Overview of the Development of Chinese Enterprises

Chinese enterprises in Vietnam are mainly from Yunnan, Hunan, Fujian, Guangdong, Shandong, Zhejiang, Sichuan, Chongqing, Guangxi, Anhui, Henan, Jiangxi, Hubei, Jiangsu, Northeast China, Guizhou and other regions of China. They are mainly distributed in Hanoi City, Ho Chi Minh City, Bac Ninh Province, Bac Giang Province, Binh Duong Province, and other places in Vietnam.

The Business Association of China in Vietnam currently has more than 4,000 members engaged in various industries including construction, mechanical equipment, raw materials and production and processing thereof, motorcycle manufacturing, finance, water conservancy and hydropower, thermal power station construction, communication and equipment, electronic appliances, transportation, mining and metallurgy, agriculture and animal husbandry, medicine, textile, and other industries. These member enterprises have impressed the people of Vietnam by not only their great quantity but also the significant contributions they have made to the economic development of Vietnam. China mainly concentrates its investment in Vietnam on processing and manufacturing, real estate, power generation and other sectors, and has made great contributions to the improvement of Vietnam's industry structure through deep international cooperation on industry chain and supply chain.

In addition, Chinese enterprises have extensively participated in the

construction of Vietnam’s infrastructure in not only transportation, energy and other traditional sectors but also emerging communication and digital sectors. Part of the projects are listed in Table 1-1 below. Through these projects, Chinese enterprises have helped Vietnam to improve infrastructure, boost employment and technology transfer, enhance regional connectivity, and promote the development of local economy, deepening the economic cooperation between China and Vietnam and making substantial contributions to Vietnam’s long-term development and regional integration. Looking forward, Chinese enterprises will continue playing an important role in Vietnam’s infrastructure construction and further promote the economic and trade exchanges and strategic cooperation between Vietnam and China.

Table 1-1 Summary of Infrastructure Construction Projects Invested by Chinese Enterprises in Vietnam in 2023

Summary of Infrastructure Construction Projects Invested by Chinese Enterprises in Vietnam in 2023 (not a full list) (Note: The projects are listed below in the order of release of relevant information)	
1.	On February 27, 2023, the project of renovation of the dust collection system in the coke screening building in the coking plant of Formosa Ha Tinh Steel Corporation for which CISDI Group Co., Ltd. subordinated to China Minmetals Corporation served as general contractor was put into trial operation.
2.	On March 28, 2023, China MCC5 Group Corp. Ltd. subordinated to MCC won the bid for the construction (including supply of materials) and installation of high-span steel structure of two 300-ton converters in Hoa Phat Dung Quat II steelmaking project. The project is located in Quang Ngai Province, Vietnam and is expected to produce 5.6 million tons of qualified molten steel annually after being put into operation.
3.	On April 8, 2023, MCC Baosteel Technology Services Co., Ltd. undertook multiple technical upgrading projects of a steel sintering plant in Ha Tinh, including upgrading of coke guides in sintering machines, upgrading of the center cylinder of desulfurization and denitrification rotor in sintering machine No.1, upgrading of the dust removal fans in converters, etc. The phase I project of denitrification of sintering flue gas through dSCR of Hoa Phat Dung Quat steel factory for which Zhongye Changtian International Engineering Co., Ltd. served as general contractor has successfully passed the 72-hour performance assessment and obtained the final acceptance certificate issued by the owner. This project deeply purifies sintering flue gas

through a combination of processes, including wet-type electric dust removal, MGGH, flue gas condensation and SCR denitrification based on wet desulfurization.

4. On October 9, 2023, Huong Linh 3 wind power project undertaken by Power China Hubei Engineering Co., Ltd. in Vietnam successfully realized grid connection at full capacity, symbolizing the achievement of another major milestone of the project. The installed gross capacity of the project is 30 MW. After completed, the project is expected to transmit 75,000 MW of clean power to the national grid of Vietnam per year, reducing about 60,000 tons of carbon dioxide emission. The project is in Quang Tri province and consists of Huong Linh 3 and Huong Linh 4. Huong Linh 3 is equipped with 9 3.2MW wind turbines, and Huong Linh 4 project is equipped with 10 3.2MW wind turbines, with a total capacity of 60.8MW. Huong Linh 3 and Huong Linh 4 is respectively equipped with a 110-kV booster station.
5. China Communications Construction Company Limited (CCCC) undertook the BRT project located in Hanoi, Vietnam with the contract value reaching 70 million US dollars. The project was formally handed over and put into operation on October 15, 2023. The bus route involved in the project is 33 km long. There are in total 43 stations which connect the city center and surrounding areas, providing more convenient public transportation services for citizens.
6. As of November 6, 2023, it is the first anniversary of the smooth operation of the Cat Linh-Ha Dong light rail line in Hanoi, Vietnam, for which China Railway Sixth Group Co., Ltd. served as general contractor had been smoothly operated for one year. Since its operation, the Line has carried nearly 7.2 million passengers with on-schedule rate at 99.8%. The passenger capacity on workdays exceeds 32,000 person-times and that on weekends is 26,000 person-times.
7. On December 18, 2023, Power China Harbor Co., Ltd. entered a contract with Khai Long with respect to wind turbine installation for its offshore wind power project. The project is in Ca Mau province, Vietnam, mainly consisting of the installation of 300MW offshore wind turbine. Phase I project includes the installation of 19 wind turbines.
8. The headquarters of China Haisum Engineering Co., Ltd. in Shanghai won the bid for phase II wastewater treatment project of Cheng Loong, Vietnam and became the general contractor. The treatment capacity of the project after completed is 10,000 t per day. The project is located Area 4, Tengpo Tsui Singapore Industrial Zone, ANSI She Tengpo, Binh Chi City, Binh Duong Province, Vietnam. for which China Haisum provides turn-key engineering services including design, supply, installation, commissioning, boot-up and EPC.
9. In May 2023, Ever-tie established a plant in Vietnam. After trial operation for more than six months, the plant initially built up productivity. Due to transnational operation, it will take some time for integration of supply chain and management. It is initially expected that the plant will substantially reach the design productivity by the end of first quarter of 2024 to meet the demands from additional customer orders.

1.2 Contributions Made by Chinese Enterprises to Vietnam and Representative Cases

At present, there are 6 economic and trade cooperation zones (industry zone) in Vietnam that are invested and constructed by Chinese enterprises, including 1 state-level overseas economic and trade cooperation zone. These 6 industry zones occupy a total area of about 5,000 hectares with a total of 1.6 billion US dollars of investment, providing jobs for about 300,000 people.

1.2.1 Representative Case – Trina Solar

Founded in 1997, Trina Solar Co., Ltd. (stock symbol: Trina Solar; stock code: 688599) is mainly engaged in PV products, PV systems and smart energy. PV products include R&D, production and sales of PV modules. PV systems consist of power stations and system products. Smart energy mainly comprises PV power generation and operation & maintenance, smart solutions for energy storage, smart microgrid, and development and sales of multi-energy systems. Regarding “creating a new industry ecology dominated by Trina Solar and promoting Trina Solar to become the leader in smart solar energy” as strategic objective, Trina Solar is committed to leading the way in smart solar energy solutions and facilitating the transformation of new power systems for a net-zero future. On June 10, 2020, Trina Solar was listed on the science and technology innovation board of Shanghai Stock Exchange, becoming the first PV enterprise listed on the science and technology innovation board that is engaged in PV products, PV systems and smart energy.

In respond to China’s national Belt and Road Initiative, Trina Solar has actively participated in the economic and trade cooperation between China and

Vietnam in recent years. The company built a 4GW battery + 5GW module factory in Thai Nguyen Province of Vietnam with total investment amounting to 203 million US dollars. The factory was put into production in April 2021, generating annual sales of about 1.1 billion US dollars. In the phase II project, the company built a 6.5GW crystal pulling + 6.5GW silicon wafer slicing factory with total investment amounting to 275 million US dollars. The factory was put into production in August 2023, generating annual sales of about 850 million US dollars. The two factories have up to now created 2,500 direct jobs in Thai Nguyen Province.

Trina Solar is currently planning phase III project dominated by 5GW pulled crystal, 5GW silicon wafer and 5GW battery which will need about a total of 500 million US dollars of investment and is expected to create 2,000 jobs.

In 2023, Trina Solar accomplished remarkable achievements in Vietnam:

1. Trina Solar made every effort to purchase locally in Vietnam as many as possible services and supply chains required for the operation of its Vietnam factories. At present, about 400 local enterprises are supplying services and materials to Trina Solar's factories in Vietnam, creating a large quantity of fundamental jobs in Vietnam, which increased the income of local residents. The efforts made by Trina Solar have not only benefited the local people but also fostered a good image of pragmatic and faithful operation for Chinese enterprises.

2. Trina Solar has actively participated in Vietnam's green energy construction, aiming to help Vietnam realize peak carbon dioxide emissions and carbon neutrality. Subordinated to Trina Solar, Trina Power provides distributed smart energy solutions and focuses on the sale and digital intellectualization of distributed PV systems installed on roofs of residential, industrial and commercial buildings. Through the team formed in Hanoi, Trina Power completed a 12.65MW industrial and commercial distributed PV

project. Relying on the technical support from the professional teams in the headquarters of Trina Solar, Trina Power joins hands with the local enterprises, investors and installation contractors to provide high-quality PV system solutions for the local enterprises and residents, boosting energy transition in Vietnam.

3. As a Chinese enterprise, Trina Solar has been actively performing its social responsibility in Vietnam. It has repeatedly responded to the local government's call for participation in public welfare programs for poverty alleviation by donating money and supplies to the people in disaster-hit areas. During epidemic prevention and control, Trina Solar donated money for vaccination and epidemic prevention as well as materials for epidemic prevention, setting up a good image for Chinese enterprises in Vietnam.

1.2.2 Representative Case - Boviet

Boviet, as a subsidiary of Boway Group, was founded in 2013 in Song Khe - Noi Hoang Industrial Zone, Bac Giang City, Bac Giang Province, Vietnam and has been in business for 10 years as of 2023. The company is mainly engaged in the manufacturing of PERC batteries and monocrystalline PV modules as well as R&D of leading technologies related to solar projects. Through unremitting efforts and market development in the last decade, Boviet has become a recognized leading manufacturer and supplier in the PV industry, and partnered with numerous leading players in the industry. Boviet's PV modules are known for their power, performance, and quality. Boviet is rated as one of the top PV module manufacturers since 2019 by PVEL/DNV-GL and has won many honors in the PV industry.

Since its inception in 2013, Boviet has been always adhering to the "dedicated and combatant" spirit of the group headquarters and never stopped innovating processes and improving product efficiency and the percentage of

non-defective products. Meanwhile, the company actively develops overseas market and increases the amount of investment. Its production capacity has grown from 150MW to 2.5GW and employee quantity has been increased from a few hundred to more than a thousand, making significant contributions to the employment market of Bac Giang Province.

Boviet has been in strict compliance with the laws and regulations of Vietnam during production and handling of affairs. It has been carrying on business prudently and prohibiting operation against regulations, whether in taxation or environmental protection, in order to maintain a good reputation.

Ten years is not long when compared with the history of PV industry, but it represents an important period as the PV industry develops rapidly. Boviet is the first foreign-funded PV enterprise in Vietnam. Its foundation has encouraged many other PV enterprises to enter Vietnam, including Vina Solar, Trina Solar, JA Solar, etc. These enterprises have jointly promoted the rapid growth of PV industry which has not only driven the development of upstream raw material (e.g. chemicals, frames, glass, etc.) suppliers but also promoted the employment and economic development in North Vietnam, bringing tax revenue to Vietnam. With the inflow of foreign capital, local enterprises, e.g. enterprises supplying and transporting packaging materials for solar products, have experienced rapid development, enabling the demands of PV industry to be satisfied.

PV energy, as an indispensable clean energy, is the key to the transition to renewable energy. Boviet will continue following the business principles of compliance with laws and regulations, stably promoting production, devoting itself to serving customers and giving back to the society, and making contributions to the sustainable development of the world.

Chapter 2 Business Environment in Vietnam and Comments of Chinese Enterprises

2.1 Overview

In recent years, the business environment in Vietnam for foreign investors has been continuously improved, attracting foreign capital inflows. According to the data released by the National Statistical Office of Vietnam, the amount of foreign direct investment funds flowing into Vietnam as of December 20, 2023, reached 36.61 billion US dollars, a 32.1% increase year-on-year, which shows the growing appeal of Vietnam in the global investment landscape. There are a total of 20.19 billion US dollars of newly approved investment funds, increasing by 62.2% over the previous year, and a total of 3,188 newly approved investment projects, increasing by 56.6% over the previous year. With the outstanding performance in attracting foreign direct investment (FDI), Vietnam has ascended to one of the top 20 countries ranked according to the amount of FDI attracted.

The updated data released by some international organizations have further recognized Vietnam's innovation and business environment. As shown in the *Global Innovation Index 2023 - GII* issued by the World Intellectual Property Organization, Vietnam ranked 46th, climbing 2 places since 2022. What's more, Vietnam was rated as one of seven middle income countries with the greatest progress in innovation over the last decade.^①

^① Global Innovation Index 2023: Innovation in the face of uncertainty
https://www.wipo.int/global_innovation_index/zh/2023/index.html

Besides, as shown in the business environment ranking for the second quarter of 2023 recently issued by the YK-based Economist Intelligence Unit (EIU) ^①, Vietnam has become the country with the greatest improvement in business environment, climbing 12 places from its previous rank among Asian countries. Fitch, an international credit rating agency, has positively predicted that Vietnam will achieve economic growth by 6.3% and 7.0% in 2024 and 2025 respectively, as it believes that the domestic fiscal and monetary policies in Vietnam would provide strong support for its economic growth. The International Monetary Fund has predicted that Vietnam will lead the economic growth in Southeast Asia in 2024 with a growth rate of 6.9%.

According to the *Global Business Environment Report 2020* issued by the World Bank, Vietnam ranked 70th among the 190 countries in the world in terms of “ease of operating business”, rising 23 places as compared with 2010. As shown in the business environment ranking for 2023 issued by the YK-based Economist Intelligence Unit, Vietnam was the fastest-improving country in Asia in terms of business environment (ranking 12th overall).

2.2 Comments from Chinese Enterprises on the Ease of Doing Business in Vietnam

According to the *Report on Business Environment in ASEAN 2023*, the overall business environment in ASEAN was steadily improved in 2023. In the report, Chinese enterprises generally believed that Vietnam ranked high among ASEAN member countries in terms of business environment. In 2023, Chinese enterprises generally achieved sound business performance in

^① <https://link.gov.vn/OygTQ314>

ASEAN.

According to the survey, 51.11% of the surveyed enterprises expected profits from their business in Vietnam in 2023. Among the surveyed enterprises, 48.88%, 48.6% and 51.41% respectively expected an increase in market share, business profit and business revenue in Vietnam in 2023. A substantial 70.95% of surveyed enterprises expressed their intention to expand their business in Vietnam.

2.3 Outlook for Business Environment in Vietnam

Standard Chartered Bank (SCB) forecasts a growth rate as high as 6.7% for Vietnam's GDP in 2024, with 6.2% and 6.9% in the first half year and the second half year respectively. It is reported that SCB holds that (i) the retail and industrial production in Vietnam maintain a strong growth momentum despite the slowdown in the economic growth rate; (ii) although the trade related to electronic products is still experiencing a sluggish period, the overall import and export have begun to regain momentum; and (iii) global trade headwinds will be a major risk factor. In addition, SCB expects that inflation in Vietnam will rise from 3.3% in 2023 to 5.5%. As economy recovery accelerates, easy monetary policies may be withdrawn and the refinancing rate will be kept at 4.5% until the end of the third quarter of 2024 and up by 50 base points in the fourth quarter. Vietnamese Dong will remain under pressure or may appreciate modestly to VND 24,000/USD. As US dollars become weaker, the foreign exchange reserve is expected to maintain stable. In general, SCB expects a promising outlook for the medium-term economy of Vietnam. SCB recommends Vietnam upgrade infrastructure and be prepared for reduction of carbon emissions in order to maintain rapid

growth.

According to *Resolution 02 on the Implementation of the Major Tasks and Measures for Improvement of Business Environment and National Competitiveness (02/NQ-CP)* issued by the Government of Vietnam on January 11, 2024, the State has determined to protect the freedom of the public and enterprises to carry on business, create conveniences for investment and operating activities and develop new creative business philosophies to help enterprises reduce formalities, time, costs and crises; and timely formulate and refine the regulations and policies concerning business environment to ensure consistence with the new development trend of innovation, digitalization and green transformation.

The overall objectives of this Resolution are to significantly improve the business environment quality to ensure the environment is in line with the development trend of the times and promote Vietnam's international rankings; create a healthy competitive environment to promote rapid increase in the quantity of newly established enterprises; reduce the proportion of temporarily suspended enterprises; increase the quantity of the enterprises engaged in innovation, green transformation and digitalization; lower the input cost and cost of compliance required by investment and operating activities; mitigate the policy risk; and shore up confidence, provide a pivot for business recovery and improve resilience of enterprises, so that by the year of 2025, Vietnam will ascend to one of the top 50 sustainable development countries ranked by the UN; Vietnam's rank based on GII issued by the World Intellectual Property Organization will climb up at least 3 places; Vietnam's rank based on e-Government Development Index issued by the UN will climb up at least 5 places; Vietnam's rank based on International IP Index issued by the International Intellectual Property Alliance will climb up at least 2 places; Vietnam's rank based on Logistics Performance Index (LPI) issued by the

World Bank will climb up at least 4 places; Vietnam's rank based on Travel & Tourism Development Index (TTDI) issued by the World Economic Forum will climb up at least 2 places; and Vietnam will ascend to one of the top 30 cybersecurity nations ranked by the International Telecommunication Union (ITU).

Chapter 3 Obstacles Faced by Chinese Enterprises in Vietnam and Relevant Demands and Suggestions

3.1 Challenges and Obstacles Faced by Chinese Enterprises Investing in Vietnam

This section elaborates the difficulties and setbacks encountered by Chinese investors in their course of business based on certain real cases resolved by Landing Law Offices over the years of providing legal services for Chinese enterprises. Information about these cases is anonymized in this section for the purpose of protecting personal and company information.

3.1.1 Political and Cultural Challenges

The administrative efficiency is relatively low and government corruption is frequently seen. Foreign funds must undergo a series of review and approval processes before entering the Vietnamese market. However, the time taken for such processes generally exceeds the time prescribed in the relevant regulations (“less than one month”). According to the data released by “Transparency International”, Vietnam ranked 83rd in 2022 based on Corruption Perceptions Index, while it ranked 87th, 104th, 96th and 117th respectively in 2021, 2020, 2019 and 2018. Though the ranking is on the rise, Vietnam is still faced with many difficulties in its fight against corruption.

3.1.2 Legal and Compliance Challenges

In order to realize long-term profits and stable operation, enterprises need to carry on business in compliance with laws and regulations to avoid legal risks after entering the Vietnamese market. Different from those in China, the legal system, legal regulations and legal culture in Vietnam will certainly pose a huge challenge to Chinese investors during their development. The possible risks are detailed below.

1. Market Entry and Exit

Before entering the Vietnamese market, foreign investors need to figure out the market access restriction for foreign investment, the qualifications and licenses required to be obtained and other relevant matters based on the categories and scope of their businesses, in order to obtain the necessary approval and qualifications prior to substantial commencement of business to complete the first step of compliant operation. If an enterprise builds the shareholding structure or establishes the investment plan without sufficient understanding of the market access mechanism or sufficient investigation with respect to investment path before entering the Vietnamese market, it will encounter many problems like non-compliance with the access conditions and huge tax burden.

Before exiting the Vietnamese market, an enterprise needs to gain an initial understanding of the requirements for disposal of assets, arrangement of employees, existing lease or other contracts and outstanding obligations as well as of the relevant tax liability, in order to avoid troubles.

In recent years, some foreign investors choose to own shares, lands, housing or other valuable assets through individuals in Vietnam. These individuals are deemed as legal owners on the official certificate, i.e. shareholders and legal representatives of Vietnamese companies, but all

relevant costs, taxes and expenses payable under law are actually borne by the foreign investors. In addition, all decisions concerning property, company business and management are made according to the instructions of foreign investors. In another word, these individuals are merely responsible for signing documents and performing procedures as required by law, and do not actually control the Vietnamese companies.

2. Labor Compliance

Vietnam's labor law tends to provide protection for workers in disadvantaged position, including protection of their freedom of labor, salary and benefits, etc. It covers multiple important factors, e.g. probation period, social insurance, working hours, employment and termination, internal labor regulations, etc. The labor union has a great influence in Vietnam. Therefore, failure to handle the labor relationship with local employees can result in labor disputes and may even bring a devastating blow to the reputation and social image of as well as legal liabilities to the enterprise.

Case: A subsidiary founded in Vietnam by a Chinese consumer electronics technology company initially recruited hundreds of manufacturing workers to cover its production demands. According to the plan made by the headquarters in China, these Vietnamese employees were required to accept training in China. Therefore, the subsidiary entered into a formal labor contract and a training agreement with each employee. One of these Vietnamese employees dropped out of the training without permission and could not be contacted. Due to such unauthorized absence, the employee seriously violated the subsidiary's internal regulations. As a result, the subsidiary had to dismiss the employee and held the employee responsible for violation. Through review of the labor contract and the training agreement entered into between the subsidiary and the employee, the lawyers found that the contract failed to clearly prescribe how to resolve disputes and the

agreement failed to specifically set forth the employee's liability for breach. Consequently, the subsidiary had to input a lot of time and energy to the negotiation with the employee. Subsequently, the subsidiary had to lay off a large quantity of employees. As a result, the subsidiary did not have sufficient energy and employee for production.

3. Business Scope

Background: Vietnam has introduced a specific set of business scope codes for different industries and production modes. Chinese investors should select a code based on their own demands that comply with Vietnam's legal requirements. Without such code, an investor may not be qualified to enter into contracts of certain categories.

Case I: The Vietnamese subsidiary wholly owned by a Chinese precision instrument manufacturer merely stated production and sale of whole machines as its business in the project documents submitted to apply for the license for foreign investment in Vietnamese projects. But in fact, its business also covered production and sale of parts and components. As a result, the subsidiary had no right to enter into sales contracts for parts and components. What's worse, it received orders from Vietnam mainly for production and sale of parts and components rather than production and sale of whole machines as expected. As it was not qualified to enter into sales contracts for parts and components, the subsidiary suffered a huge loss of business and significant financial losses.

Case II: A well-known Chinese PV enterprise wanted to establish a project company in Vietnam for the purpose of installing roof PV system for a factory. According to the analysis and survey conducted by lawyers, the project company needed to be qualified for serving as general engineering contractor and for getting engaged in power generation. Under the assistance from lawyers, the PV enterprise successfully established a project company

with all necessary qualifications and concluded the project contract.

4. Compliance of Internal Management

Background: Vietnam is currently committed to simplifying, through campaign initiated by the Government, the administrative procedures required for investment and company management, but the applicable laws still require foreign investors to submit quarterly and annual reports on their project performance and results. Besides, the Law on Enterprises 2020 clearly requires limited liability companies or companies limited by shares to assigned different levels of decision-making power to the internal organizations and the management. Besides, each company may have its own internal management system and procedures. It should be noted that a company is required to obtain relevant license, certificate and approval from national authorities before engaged in specific business sectors (e.g. construction or finance). The principle objectives of such license, reports and internal system are to control the execution, performance and termination of commercial contracts with partners and customers.

Case study: Landing Law Offices was engaged by a wholly-owned Chinese company to assist it in obtaining a license for tax purposes. The company has been manufacturing and supplying parts and components to different electronic companies since 2008. One of the most important prerequisites to obtain the license is the implementation of a unified and modern management system on products as well as all aspects of manufacturing activities. Through review of the documents provided by the company, Landing learned that the main products of the company (i.e. products generating most of the revenue) complied with laws and all standards issued by competent authorities, meaning that it was highly probable for the company to obtain the license if the application materials were properly prepared and timely submitted.

Issue: The title of the company's legal representative had been changed several times, but the investment registration certificate had not been updated since the foundation. In addition, Landing found in investigation that the management did not know the categories or characteristics of the company's products. As a result, Landing was faced with two most critical issues in the provision of support. The company was inspected and punished by the national authority due to violation of the latest environmental protection regulations and failed to obtain an additional environmental permit within nearly one year following the inspection. In Landing's opinion, the issues stated above were mainly caused by long-standing negligence and lack of coordination in the company's management system where each function and its employees performed their duties and tasks independently. This issue was exacerbated by constant change in the company's workforce, management and employees which is common in Vietnam.

Solution: Landing needed to update the company's *Investment Registration Certificate* and help the company obtain the *Environmental Permit* within a very short period, as they were indispensable to the application for the license. Besides, with little support and guidance from the specialized personnel and relevant organizations in the company, Landing also needed to intensively study the description of each product in various documents and analyze the characteristics of qualified products in order to explain in detail why the products comply with the standards.

5. Land Transaction and Lease of Plant

Background: It is ideal for investors to directly cooperate and negotiate the terms and conditions of lease contract with industrial zones or owners. But in reality, there are various professional companies in Vietnam who invest a large amount of money and human resources to develop industrial lands and build plants by constructing infrastructure and installing facilities (for waste

treatment, power supply, water supply, etc.). Then they lease the plants, which is their principal business. The prosperity of the plant leasing market has attracted some companies who choose not to develop lands but to sublease the plants leased by them from legal owners to customers needing plants. These companies are usually known as the “primary lessees”. They might carry out certain production activities in the leased plants, or have ceased their business and basically use only part of the leased plants. The transaction of plant leasing is frequently seen in provinces with densely located plants, e.g. Bac Ninh, Bac Giang and Hanoi, where Chinese investors prefer to make investment.

Case I: A Chinese science and technology enterprise wanted to establish a company in Vietnam. For this purpose, it needed to purchase the land and factory from Vietnamese Company A. Vietnamese Company A entered into a land lease contract with the industrial zone where the land was located in accordance with which Vietnamese Company A should pay rent by year and should obtain written consent from the industrial zone before subleasing the land. The Chinese enterprise was anxious to accelerate the registration of the new company. But it was not allowed to register two project companies on the land at the same time due to the special nature of the land. In another word, the Chinese company was allowed to handle procedures for company registration only until it obtained the approval from the competent authority of the industrial zone after Vietnamese Company A moved out of the industrial zone and reported the Chinese company’s intention to move into the zone to the competent authority.

Case II: Chinese Enterprise A wanted to establish a plant in Vietnam and therefore leased a large area of land in Vietnam. It fully paid the rent in a lump sum and obtained the ownership in full, so it could mortgage the land to obtain a loan, which is commonly known in Vietnam as “purchase of land”. As

Vietnam adopts the land system in which the land in Vietnam belongs to “the people”, the land lease contract entered into by foreign-funded companies in fact may be effective for at most fifty years. The land leased by Chinese Enterprise A is very large, so it intended to sublease the unused part to other Chinese enterprises investing in Vietnam to share part of the profits. However, Chinese Enterprise A failed to apply for the code assigned to land leasing business when applying for investment certificate and business license in Vietnam. As a result, it encountered substantial obstacles when it planned to sublease the land later and suffered huge losses consequently.

Case III: The primary lessee (Lessee A) entered into a plant lease agreement with the legal owner, in accordance with which Lessee A was entitled to lease the plant and use it for manufacturing of electronic accessories (Primary Lease Agreement). Due to economic recession, Lessee A was unable to maintain its business and pay the rent. Through several negotiations, a customer manufacturing lens for electronic devices (Investor B) agreed to lease the plant together with the facilities therein, and separately entered into a lease agreement (Secondary Lease Agreement) with Lessee A.

Although Investor B strictly complied with the Secondary Agreement and paid the deposit and rent in full, Lessee A failed to pay rent to the owner as required by the Primary Agreement. In the subsequent months, the parties failed to agree on a solution with respect to the rent. Thus, the owner did not allow Lessee A and Investor B to enter the plant and force them to cease all manufacturing activities, which might not violate the lease agreements but caused substantial losses and damage to the income and profits of Investor B.

Issue: The investment made by Investor B was involved in the dispute between the owner and the primary lessee (Lessee A) over compliance of the Lessee A with the Primary Agreement. Investor B would not be allowed to carry out manufacturing activities in the plant until the dispute was resolved or

a feasible solution was accepted by the owner

Solution: In this case, it was compliance with Article 475 of the Civil Code 2015 of Vietnam for Lessee A to sublease the plant to Investor B, because the Primary Agreement granted to Lessee A the right to sublease the plant. The owner had to take actions against Lessee A and Investor B due to Lessee A's breach of the lease agreement entered into with the owner arising from its failure to perform its obligation of payment. Therefore, Landing initiated multiple negotiations with the owner and Lessee A in which Landing explained the necessity to legally protect the rights and interests of Investor B during the dispute and requested resolution of the dispute through amicable consultation. Investor B also proposed a temporary solution that the owner allows the manufacturing activities to be continued in the plant, provided that the owner and Investor B enter into a new lease agreement immediately upon resolution of dispute.

6. ESG Compliance in Supply Chain

In recent years, the Government of Vietnam has been consistently urging enterprises to pay more attention to the living environment, working interests and working conditions of workers, and to take into consideration the impact on environment from each process of manufacturing, processing and provision of services, including energy exploitation, recycling of wastes, energy conservation and reduction of emission, etc. In the global trade supply chain system, focus should be placed on whether the suppliers act in compliance with business ethics and whether the suppliers are in material violation of the regulations concerning environment, society and company governance.

ESG compliance of supply chain poses a huge barrier to Chinese enterprises in their investment in Vietnam. This is especially true for the Chinese enterprises that set up manufacturing sites in Vietnam for the purpose

of transferring upstream and downstream supply chain or better export to European and US markets.

7. Financial and Tax Risks

Different countries adopt different tax regulations. Vietnam mainly collects corporate income tax, personal income tax, value-added tax, selective sales tax, real estate tax, resource tax, environmental protection tax, stamp tax, foreign contractor tax, etc. Financial and tax compliance is an inevitable issue facing Chinese enterprises in Vietnam. In addition to different tax categories and routine declaration procedures, related transactions, remittance of profits, transfer pricing and many other matters pose challenges to Chinese enterprises in Vietnam. The enterprises need professional personnel, expertise and even terminology. To say the least, some enterprises with demands for export may still be faced with the risk of anti-dumping duty even if they strictly abide by the tax regulations of Vietnam.

8. Other Legal Risks

As stated above, insufficient understanding of the law of Vietnam poses a major challenge to the stable development of Chinese enterprises making investment in Vietnam. In addition to the laws and regulations regarding market entry and exit, labor, tax and environment protection, Chinese enterprises also need to know and understand other relevant laws and regulations including company law, laws relating to intellectual property rights and lawsuits, etc.

For example, Chinese enterprises, especially those exporting products processed and assembled in another country to the destination country, need to learn about the legal regulations of Vietnam concerning the certificate of origin and even the regulations concerning and the practices of investigation of origin under such mode. Exporting products without such knowledge may trigger various legal risks related to export and consequently result in certain

liabilities. For another example, it is a challenge for the Chinese investors that own related patents, brands or other intellectual property rights or trade secrets, or the transactions of which involve technology transfer, authorization and license to understand the laws and practices in connection with intellectual property rights, to protect their own intellectual property rights and to prevent accidental infringement.

3.1.3 Social and Economic Challenges

1. Competition and Divergence of Interests

With opening up to the world over the past few decades of development, China has become a member of the global supply chain and a manufacturing power, and thus is called as “world factory”. However, part of the world supply chain has begun to transfer to Vietnam as Vietnam has been opening up to foreign investments and improving its foreign investment environment in recent years. Consequently, manufacturing industry has become a major pillar of Vietnam’s economic development. In another word, homogeneous competition exists between Chinese enterprises and local enterprises in Vietnam.

Furthermore, the investments made by some Chinese enterprises may show a trend of limited amount, short horizon or lack of technology investment, which is not in line with the local expectation for technology development and high value-added industries. For example, some Chinese enterprises may be simply at a low level in the value chain and cannot sufficiently satisfy the local development requirements, thus facing challenges to their value in the local market. Some manufacturing enterprises may cause certain impact on the natural environment of Vietnam. Such divergence may exist between Chinese enterprise and Vietnamese enterprises and may also be reflected in the perception of the people of the

two countries.

2. Lack of International Talents

One of the challenges faced by Chinese enterprises investing in Vietnam is the lack of international talents which may affect the execution of strategies in Vietnam as well as the capability of communication with the local residents. It is a cornerstone for stable operation of enterprises to understand local market conditions and local culture, and it is inevitable for normal operation to understand local regulations and get familiar with local taxation. Such understanding requires study and evaluation by professional persons and international talents.

3. Credit of Partners

There may exist certain obstacles for Chinese enterprises and Vietnamese enterprises to gain mutual trust due to differences in culture, regulations and commercial customs. Special attention needs to be paid to the information gap between the enterprises co-establishing a joint venture or between the counterparties in the upstream and the downstream of the supply chain, or the labor, accounting, legal and other service providers in the course of operation.

3.1.4 Summary

When making overseas investment to build factories or establish new companies in order to avoid trade conflict and expand market, Chinese enterprises should carefully consider every process following the spirit of compliance, combine domestic funds, technologies with local workforce, adopt modern management modes to optimize local operation and accumulate experience in communication with local government, regardless of the scale of project and the amount of investment. The cases above are only the epitome

of many overseas investment failures.

The incoming years will see a great scale of foreign direct investments from Chinese enterprises. Cross-border mergers and acquisitions will be dominated by horizontal mergers and acquisitions followed by conglomerate mergers and acquisitions and supplemented by vertical mergers and acquisitions. Different types of mergers and acquisitions have different features and require different integration strategies. In addition to the matters stated above, Chinese enterprises need to pay attention to the due diligence of target companies, coordination of the relationship with the host government, smooth contracting of projects, correct handling of the relation with local workers and tax compliance during overseas mergers and acquisitions. The investments made by Chinese enterprises are concentrated in real estate, science and technology, media and telecommunication (TMT), finance and other industries likely to be overvalued and form bubbles. Therefore, Chinese enterprises need to treat overseas projects prudently. Just like the butterfly effect, each step can cause unexpected effect on the final development of a project. Enterprises should establish clear overseas development plan and strategies and sufficiently investigate and study the political, economic, cultural, legal, language and other environment of the host country.

3.2 Demands of and Suggestions for Chinese Enterprises

Investing in Vietnam

According to the feedback of member enterprises, the Business Association of China in Vietnam finds that Chinese enterprises are still faced with following difficulties and challenges, despite the sound investment

environment.

3.2.1 Issues at Government Level

In recent years, the Government of Vietnam has issued various proactive policies to attract foreign investment. However, the preferential policies in official documents are hard to carry out in some industries and regions due to poor operability and enforceability in these industries and regions, or these policies fail to generate real effect as the grass-roots officials do not sufficiently understand the specific method of implementation. As a result, the policies become a mere scrap of paper. Therefore, the Association hopes that the Government of Vietnam will effectively implement the policies for inviting outside investment and strengthen the policy study of grass-roots government officials so that the relevant administrative department will guide the compliant operation of foreign enterprises with the awareness of “serving investors” after investments are attracted. Foreign enterprise investing in Vietnam may be difficult to smoothly communicate with the local government like the local enterprises due to language and cultural differences. So, the Government of Vietnam should put further efforts to “law interpretation” to help foreign enterprises successfully get integrated into the local society and also strictly abide the agreements and promises made to attract investment.

The convenience and effectiveness of government services still need to be greatly improved. Some government officials work with low efficiency due to a passive attitude and even demand bribes. Instead of serving the enterprises, they have brought a lot of inconvenience to enterprises during their investment. Besides, many Chinese enterprises have complained that they have to repeatedly visit government departments to obtain their services and the replies given by them may be inconsistent or contradictory, affecting efficiency.

With the new round of scientific and technological revolution and rapid industrial transformation across the world, new business models and new business forms of digital economy are constantly emerging. “Electronization”, “whole process electronization” and “digital government” have become normal in China. But in Vietnam, electronization still needs to be promoted. We recommend Vietnam to accelerate the generalization of electronic platforms for government services, procurement, information, and data. This includes establishing a comprehensive electronic transaction and administrative approval system, improving online platforms for enterprise rights protection, guiding businesses to submit inquiries, grievances, and complaints online, and ensuring the effective implementation of relief measures. Additionally, providing online assistance for businesses to complete necessary documentation, issuing electronic certificates and licenses, enabling 100% online application for government services, and reducing redundant submissions of original and copy documents through data sharing and verification, would greatly enhance the sense of satisfaction and experience for enterprises.

3.2.2 Issues at Legal Level

We expect the Government of Vietnam to provide key legal regulations and policies in English version for foreign enterprises to ensure the preferential investment policies can be sufficiently reflected in project planning, review and approval, bank loan, corporate financing, tax incentives and routine inspections.

We recommend the Government of Vietnam to promote diversified trade dispute resolution mechanisms to ensure the disputes can be resolved rapidly and fairly, which is conducive to the protection of the rights and interests of Chinese enterprises and the consolidation of Chinese enterprises’ confidence

in the Vietnamese market. At present, the effectiveness of the overall judicial system in Vietnam still needs to be improved, as the judicial costs are high and the judicial proceedings are time-consuming. If litigation is selected to resolve a dispute, it will take at least 2 months from the date when the lawyer submits the application for case filing to the date when the court decides to or not to accept the case, and it will even take 3 to 4 months in some regions.

At present, there is just a small quantity of judges in Vietnam, resulting in a large backlog of cases and low judicial efficiency. In order to shorten the time for litigation, arbitration is mostly selected to solve commercial cases which depends on the effective arbitration clauses in the contract concerned.

Notwithstanding the shortcomings stated above, the framework of substantial law in Vietnam has been significantly improved over the years, and the main legal documents regulating dispute resolution have also been revised and supplemented, which is expected to contribute to more comprehensive and adequate mechanisms for dispute resolution and enforcement and enhance the transparency of the Vietnam's judicial system. It is worth mentioning that case law is highly recognized in Vietnam. Judges in Vietnam are required study and apply the selected case law to ensure that same or similar cases are solved in the same way. If the case law is not followed, the judge must analyze, explain and state the reasons in the judgement. This practice aims to create equality on trial, help predict the results of disputes, save time and costs, and achieve justice.

In terms of the enforcement of foreign judgments or arbitral awards, the arbitral awards issued by arbitration centers in Vietnam are relatively easy to be enforced in Vietnam, while those issued by foreign arbitration centers are difficult to be enforced in Vietnam. Foreign court decisions having been recognized and authorized to be enforced in Vietnam by Vietnam's court will have full legal force in Vietnam. So far, Vietnam has entered treaties with

respect to enforcement of civil judgments with Algeria, Belarus, Bulgaria, China, Cuba, the Czech Republic, France, Hungary, Kazakhstan, Laos, Mongolia, North Korea, Poland, Russia, Slovakia and Ukraine. But these treaties (except those entered with France) are merely applicable to civil judgments relating to non-commercial disputes and are not applicable to commercial disputes. In 1995, Vietnam joined the *New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards*, meaning that the foreign arbitral awards made by publicly recognized international arbitration agencies should be respected by the courts in Vietnam without review. However, this commitment applies only to awards of a commercial nature made within another contracting party.

3.2.3 Issues at Other Levels

In terms of tax preference, foreign enterprises hope that the Government of Vietnam will formulate more favorable tax policies to reduce their burden. A transparent and simple tax system is essential for enterprise development.

In terms of protection of investors' assets, Vietnam needs to strengthen the protection of investors and establish a sounder legal framework to ensure that the rights and interests of investors are effectively protected during legal operation and boost the confidence of investors in the Vietnamese market.

In terms of import and export convenience, Vietnam needs to ensure the transparency and efficiency of import and export, reduce the time and cost of customs clearance and establish a more convenient customs system to promote the development of bilateral trade.

In terms of cultivation of professional talents, Vietnam needs to provide more professional training and support targeted at foreign enterprises to meet the growing demand of foreign enterprises for professional talents, and also to promote the cooperation and exchange between local talents and Chinese

enterprises. There are currently sufficient young and middle-aged workers in Vietnam, but with the influx of numerous foreign-funded factories, enterprises will still encounter difficulties in recruitment. What's worse, with the rapid economic development, Vietnam will gradually lose its advantage of low production factor costs in global market competition.

Meanwhile, some Chinese entrepreneurs making investment in Vietnam or other foreign countries have low consciousness of the rule of law and lack deep understanding of local business culture and trading practices. The Embassy, business associations and representative enterprises in Vietnam are expected to hold more exchange activities to enhance the understanding of local politics, culture, law and life gained by Chinese entrepreneurs and other permanent residents in Vietnam, help Chinese enterprises get better integrated in Vietnamese society, and increase the social influence of Chinese enterprises.

It is recommended to strengthen the construction of professional talents related to overseas investment and give full play to the resources at all levels. It is a systematic work to develop overseas investment which needs a large number of excellent professional talents and the support from think tanks. The State is suggested to attach great importance to, provide timely guidance for and increase the input in the cultivation of versatile professional talents adapted to the complex international situation, and effectively integrate business management, front-line practice, third-party intermediaries, colleges and universities, national think tanks and academic associations and other resources to form a long acting system and an organic collaboration system.

3.2.4 Experience of and Suggestions for Investment Made in Vietnam by Chinese Enterprises

Firstly, Chinese enterprises intending to make investment in Vietnam

should investigate market risks prior to investment. At different stages, emphasis should be placed on different risks, as shown below. In addition to making every effort in legal compliance, risk management mechanism and construction of professional teams, enterprises intending to make foreign investment also need to make detailed analysis of the relevant government risks, investment policies and industry policy risks of China and the target country and be good at striving for as many favorable policies as possible from all parties concerned, in order to help the project be implemented successfully and achieve the expected investment objectives.

In the table below, when high risk is indicated, it means that almost all Chinese enterprises will encounter problems or difficulties when handling the relevant affairs which may result in investment failure in serious circumstance; when medium risk is indicated, it means that most Chinese enterprises will encounter problems which are less likely to result in investment termination or failure; when low risk is indicated, it means that only a small number of Chinese enterprises will encounter problems which can usually be properly solved and will not result in investment failure.

Table 3-1 Risks at Different Stages

Stage	Risk Level	Risk
From beginning of project to establishment of company	High risk	Strategic risk Political and administrative review and approval risks Construction risk
	Medium risk	Social and cultural risks
	Low risk	Exchange rate and exchange control risks Risk of supporting infrastructure
Operation	High risk	Tax risk Legal and compliance risks, and labor risk Production risk ESG compliance risk

	Medium risk	Contract performance risk Risk of credit of partners Industry and industry chain risks
	Low risk	Technical quality risk
Exit	High risk	Legal and compliance risks Tax risk Labor risk Reorganization and integration risks and asset disposal risk

Secondly, cooperation between enterprises should be strengthened. Enterprises making investment in Vietnam may participate in the major projects in Vietnam through acquisition and merger, establishment of a joint venture, setting up association or general subcontracting to reduce unnecessary competition. The enterprises should consult professional companies with respect to investment and operation in professional sectors. Meetings should be frequently held with related industries to exchange and share experience in overseas investment in which focus should be placed on the difficulties encountered and how they were solved.

Thirdly, the senior executives of enterprises should respect the culture of the target country at the ideological level, and comprehensively consider the personal traits, cultural and educational background, and openness towards foreign culture when selecting personnel for dispatch. The dispatched personnel should try hard to learn the Vietnamese language, gain a deep understanding of the Vietnamese culture, and get integrated into the Vietnamese society with the spirit of long-termism.

Profile of Business Association of China in Vietnam

The Business Association of China in Vietnam is a non-profit non-governmental organization established upon approval of the relevant department of Vietnamese Government on August 6, 2001, under the guidance of the Embassy of the People's Republic of China in the Socialist Republic of Vietnam.

The Business Association of China in Vietnam takes the promotion of trade and investment between China and Vietnam as its purpose, and “long-term stability, future-oriented, good-neighborly friendship and comprehensive cooperation” as its policy. It is committed to enhancing the understanding and communication between the industrial and commercial circles of the two countries, expanding economic and trade cooperation and mutual investment, implementing the “going out” development strategy of China, and constantly promoting the development of bilateral trade cooperation between China and Vietnam.

The Business Association of China in Vietnam has established Ho Chi Minh City branch, Quang Ninh Province branch and Hai Phong City branch. It also established Yunnan, Hunan, Fujian, Guangdong, Shandong, Zhejiang, Sichuan-Chongqing, Guangxi, Anhui, Henan, Jiangxi, Hubei, Jiangsu, Northeast China and Guizhou Enterprise Federations to meet the growing needs of the enterprises managed by Chinese provinces, autonomous regions and municipalities in Vietnam. In accordance with the specific guidance of the State on the new requirements for the establishment of overseas business associations

in the new era, the Business Association of China in Vietnam established the Photovoltaic Industry Association and the Healthcare Industry Association.

The Business Association of China in Vietnam currently has more than 4000 members from all walks of life, including construction, mechanical equipment, raw material and production processing thereof, motorcycle manufacturing, finance, water conservancy and hydropower, thermal power plant construction, communications and equipment, electronic appliances, transportation, mining and metallurgy, agriculture and animal husbandry, pharmaceuticals, textile and other industries.

The Business Association of China in Vietnam has held multiple trade and economic activities for promoting exchanges between enterprises in China and Vietnam and has been actively implementing the economic development strategies of the two countries.

Uniting, guiding, promoting, and serving Chinese enterprises, the Business Association of China in Vietnam provides policy, legal and market information for Chinese enterprises in or prepared to enter the Vietnamese market, assists Chinese enterprises with business development, and plays the role of carrier in offering services to Chinese enterprises.

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