



Overall performance

Vietnam is one of the strongest emerging economies in South-East Asia. Despite low GDP per capita, the economy has experienced significant expansion over the last two decades. The continued growth of the economy, together with the closure of recent PPP infrastructure deals positions Vietnam well to continue attracting investment for infrastructure projects.

Drivers	Rank (/16)	Rank change (2017-20)	Score (/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	40	↓ 3	53	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Regulatory frameworks	53	↓ 4	54	Green	Green	Green	Light Blue	Light Blue
Permits	50	↓ 4	63	Blue	Blue	Blue	Blue	Light Blue
Planning	35	↓ 2	75	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue
Procurement	54	↓ 18	64	Light Green	Light Green	Light Green	Light Green	Light Green
Activity	6	↑ 37	65	Teal	Teal	Teal	Teal	Teal
Funding capacity	51	↑ 11	28	Orange	Orange	Light Blue	Light Blue	Light Blue
Financial markets	23	↑ 2	47	Yellow	Yellow	Yellow	Light Blue	Light Blue

Vietnam at a glance



\$2,740
GDP per capita
(USD, 2019)



95.5 million
Population
(2019)



6.3% of GDP
Infrastructure investment
(2019 estimate)



1.2% of GDP
Infrastructure gap
(2019 estimate)



65.9
Infrastructure quality
(0-100, 100 is best, 2019)



\$992 million
Private infrastructure investment
(5-year average, USD, 2019)

Top performing metrics



100/100

Value of closed PPP infrastructure deals

As an emerging economy, Vietnam is working to increase investment in infrastructure. In 2019, Vietnam closed one of the largest deals in the power sector, the Nghi Son 2, a USD 2.3 billion project.



88.8/100

Cost to start a business

According to the World Bank, the cost to start a business in Vietnam is 5.6% of income per capita, well below the 17.4% average cost for Lower Middle Income Countries, easing the entry of new firms.



83/100

Financial stability

Vietnam's financial sector has experienced significant growth and development. Ongoing regulatory reforms, such as the recent adoption of Basel II requirements in December 2019, have helped to promote stability and ensure sufficient liquidity and capital in the sector. The long-term impact of the COVID-19 pandemic is a concern.

Opportunities to grow



No

Published infrastructure plan

Vietnam does not have a national or sub-national infrastructure plan. The addition of an infrastructure plan could help place greater emphasis on the planning phase of projects, in turn helping to focus infrastructure spending in the right areas to achieve the best results.



3.5/100

GDP per capita

Despite being one of South-East Asia's fastest growing economies, Vietnam's GDP per capita is still relatively low at USD 2,567. Since 2002, GDP per capita has increased two and a half times and is expected to continue to improve.



57.4/100

Gross government debt

Vietnam's gross government debt amounts to 53% of GDP. If public debt continues to grow it could significantly affect the ability of the government to fund new infrastructure projects.

For guidance on how to improve these metrics, please see the [Vietnam Country Page](#) on the InfraCompass website.



ECONOMY OVERVIEW

GDP (\$US billion, 2019)	261.6	Population (million, 2019)	95.5	Unemployment rate (2019)	1.9%
GDP per capita (\$US, 2019)	2,740	Urbanisation ratio (2018)	36.0%	Inflation rate (2019)	3.6%
GDP growth rate (annual, 2019)	6.5%	Gross Government Debt (% of GDP, 2019)	54.0%	Digital Adoption Index (0-1 best, 2016)	0.52
GDP per capita growth rate (annual, 2019)	7.4%	Sovereign risk rating (2019)	43	Gini coefficient (0-100 worst, 2016)	35.3

METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	44.2 ↑	Cost to start a business	88.8 ↓
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	52.8 ↓	Dealing with construction permits	47.4 -
Recovery rate	21.3 ↓	Product market regulation, network sectors	58.3 [^] -	Quality of land administration	46.7 -
Rule of law	49.9 ↓	Regulatory (including competition) quality	42.3 ↑	Registering property	52.2 ↑
Shareholder governance	46.7 -	Strength of insolvency framework	53.1 -	Time required to start a business	64.6 ↑
Political stability and absence of violence	53.4 ↓	Investment promotion agency?	Yes -		
PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	Yes -	Average procurement duration – transaction RFP	50 [^] ↓	Infrastructure investment	74 ↑
Published infrastructure plan?	No -	Degree of transparency in public procurement	25 ↓	Private infrastructure investment	61.2 ↑
Preparation of PPPs	77 ↓	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	100 ↑
Economic analysis assessment?	Yes -	Procurement of PPPs	77 -	Value of closed infrastructure deals with foreign equity sponsorship	25.1 ↑
Market sounding and/or assessment?	Yes -	PPP contract management	62 -		
Environmental impact analysis?	Yes -				
FUNDING CAPACITY		FINANCIAL MARKETS		Drawing on data from: International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPII, Oxford Economics, Trading Economics, and Deloitte.	
GDP per capita	3.5 ↑	Domestic credit to private sector	64 ↑		
Gross government debt	57.4 ↑	Financing through local equity market	47.7 ↑		
Long term GDP growth trend	58.3 ↑	Stocks traded	19.5 ↑		
Summary credit rating	43 ↑	Financial depth	45.8 ↓		
		Financial stability	83 ↓		

Metric key:

↑ Increase from InfraCompass 2017 ↓ Decrease from InfraCompass 2017 - No change from InfraCompass 2017

Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are generally the metrics with the lowest weighted score out of 100.

[^]Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.