

# VIETNAM'S DRIVERS OF GROWTH: PRESENT & (GREEN) FUTURE

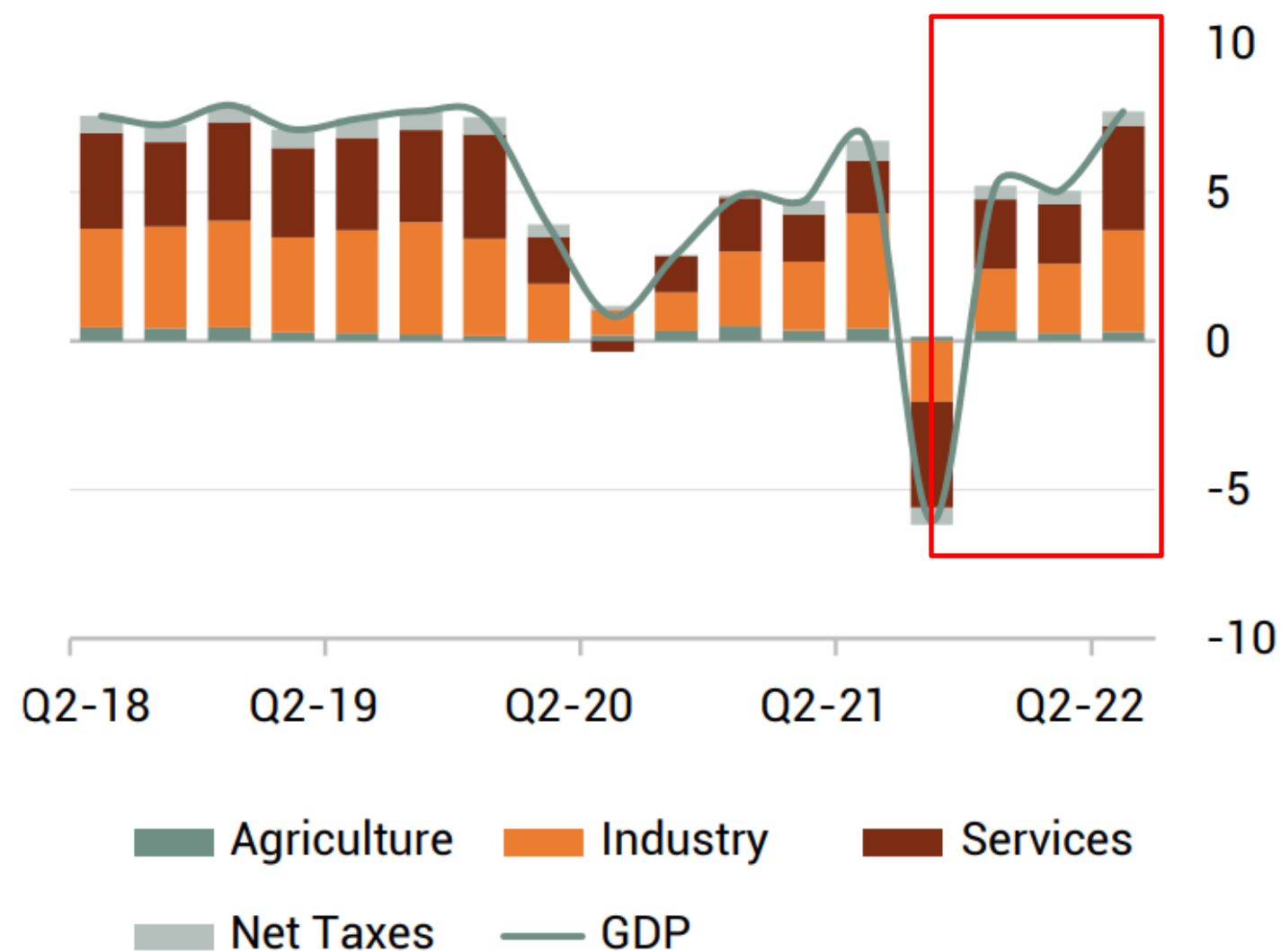
PRESENTER:

Andrea Coppola - World Bank Lead Economist

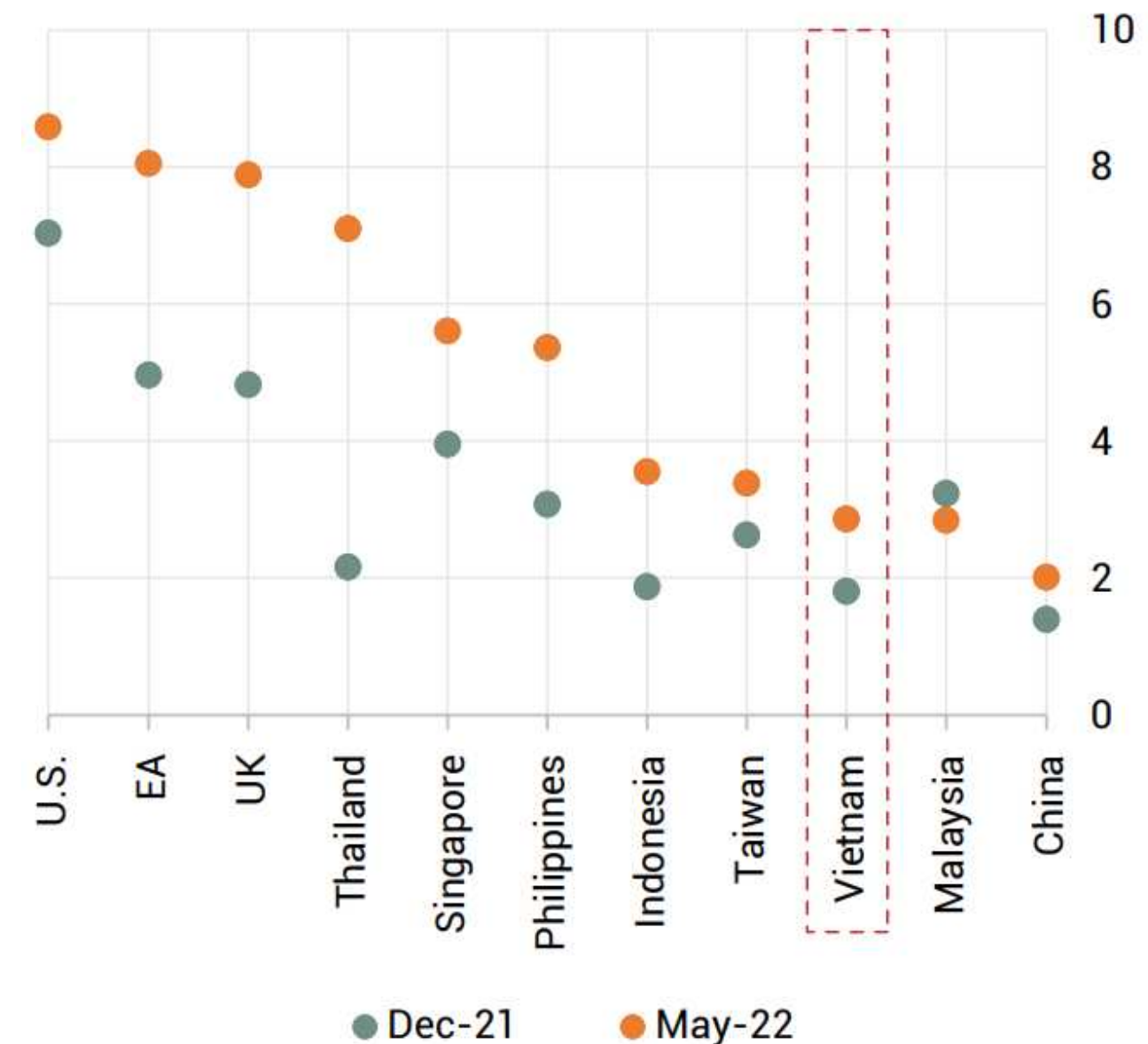


# DATA SUGGESTS THAT VIETNAM IS DEFYING THE GLOBAL STAGFLATION NARRATIVE

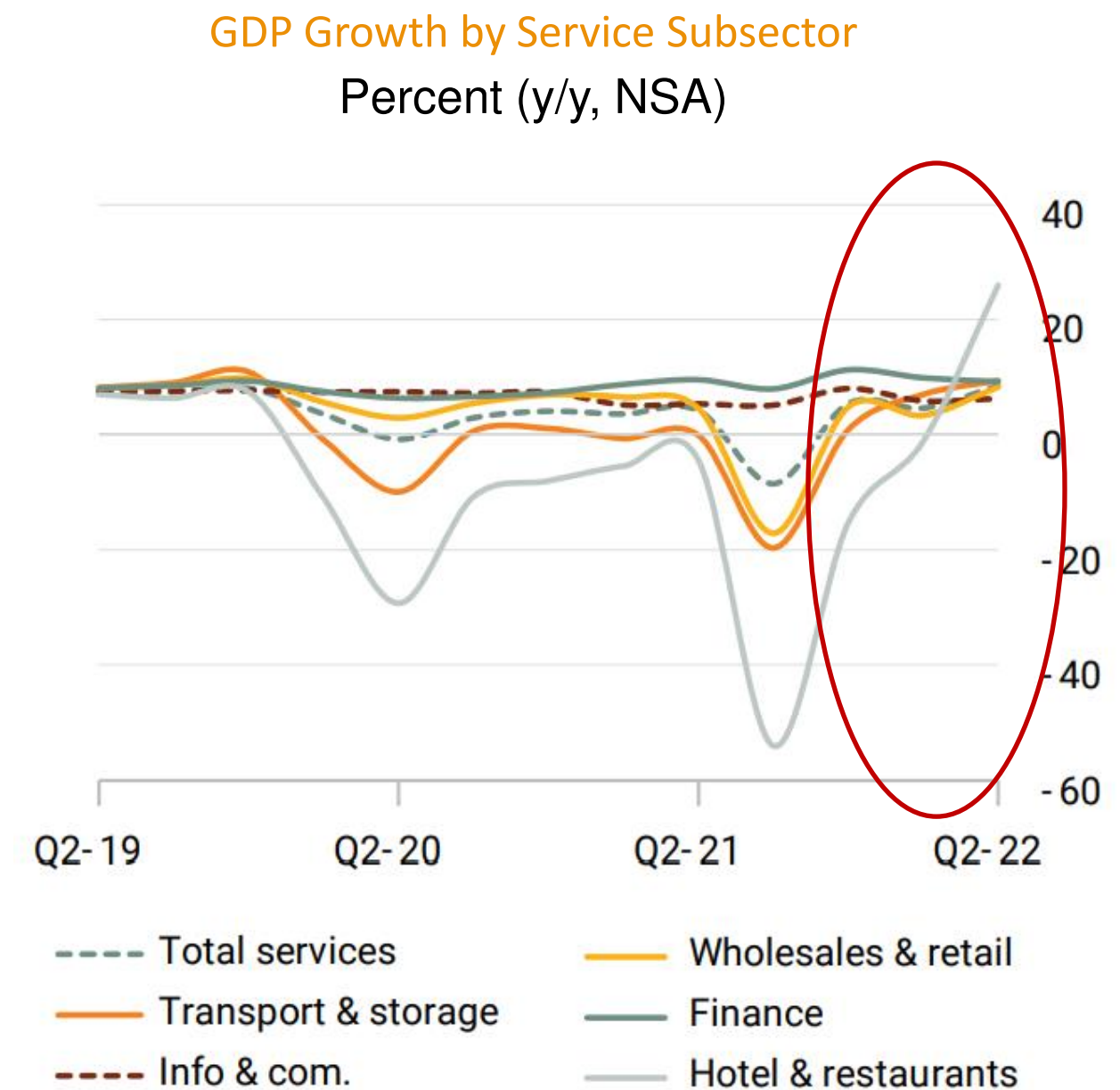
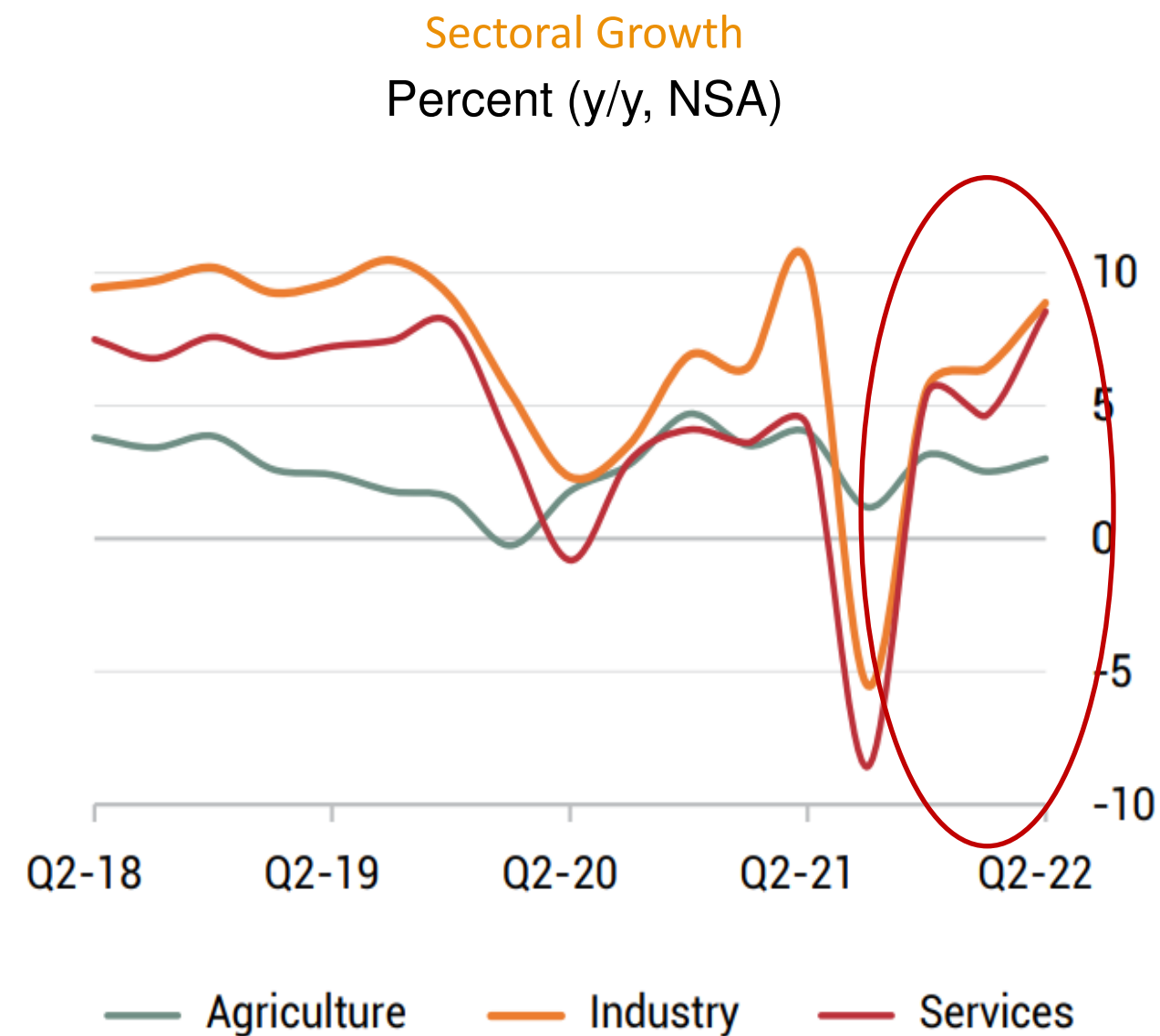
Contribution to GDP growth by sector  
Percentage points (y/y, NSA)



Inflation Across Countries and territories  
Percent (y/y, NSA)



# DRIVERS OF VIETNAM'S RECOVERY IN 2022



# MACRO-ECONOMIC STABILITY & SUSTAINABLE DEVELOPMENT





# Boosting Productivity to Achieve Vietnam 2045 Goals



**Vietnam Growth Model** Renewed towards more  
Greater Accumulation plus Efficient Utilization of Capital  
**QUALITY**

01

**Productive Capital**  
Dynamic Firms &  
Efficient Infrastructure

02

**Human Capital**  
Skilled workers &  
Opportunities for All

03

➔ **Natural Capital**  
Green Growth

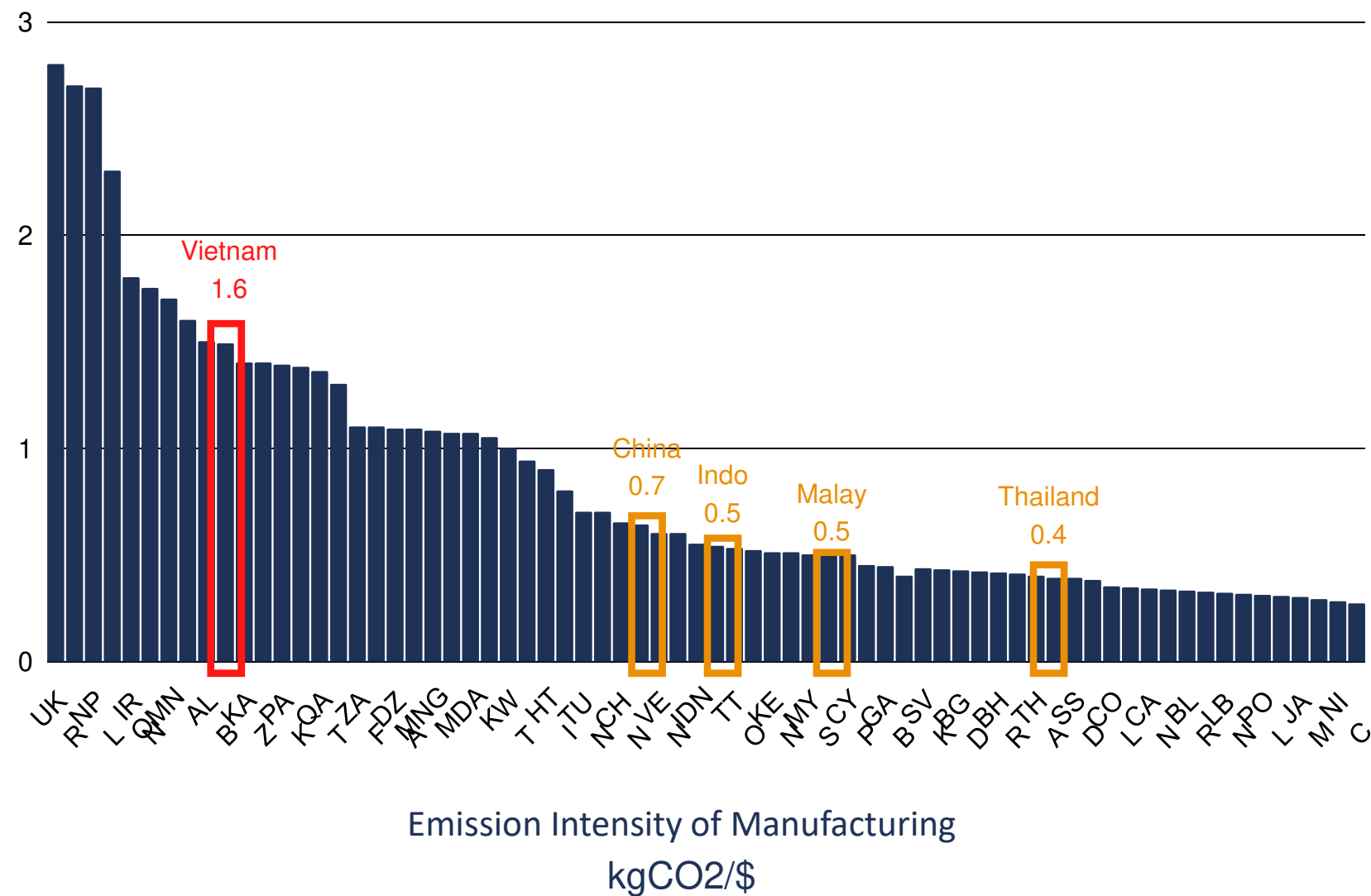


Digital Transformation for Productivity Growth

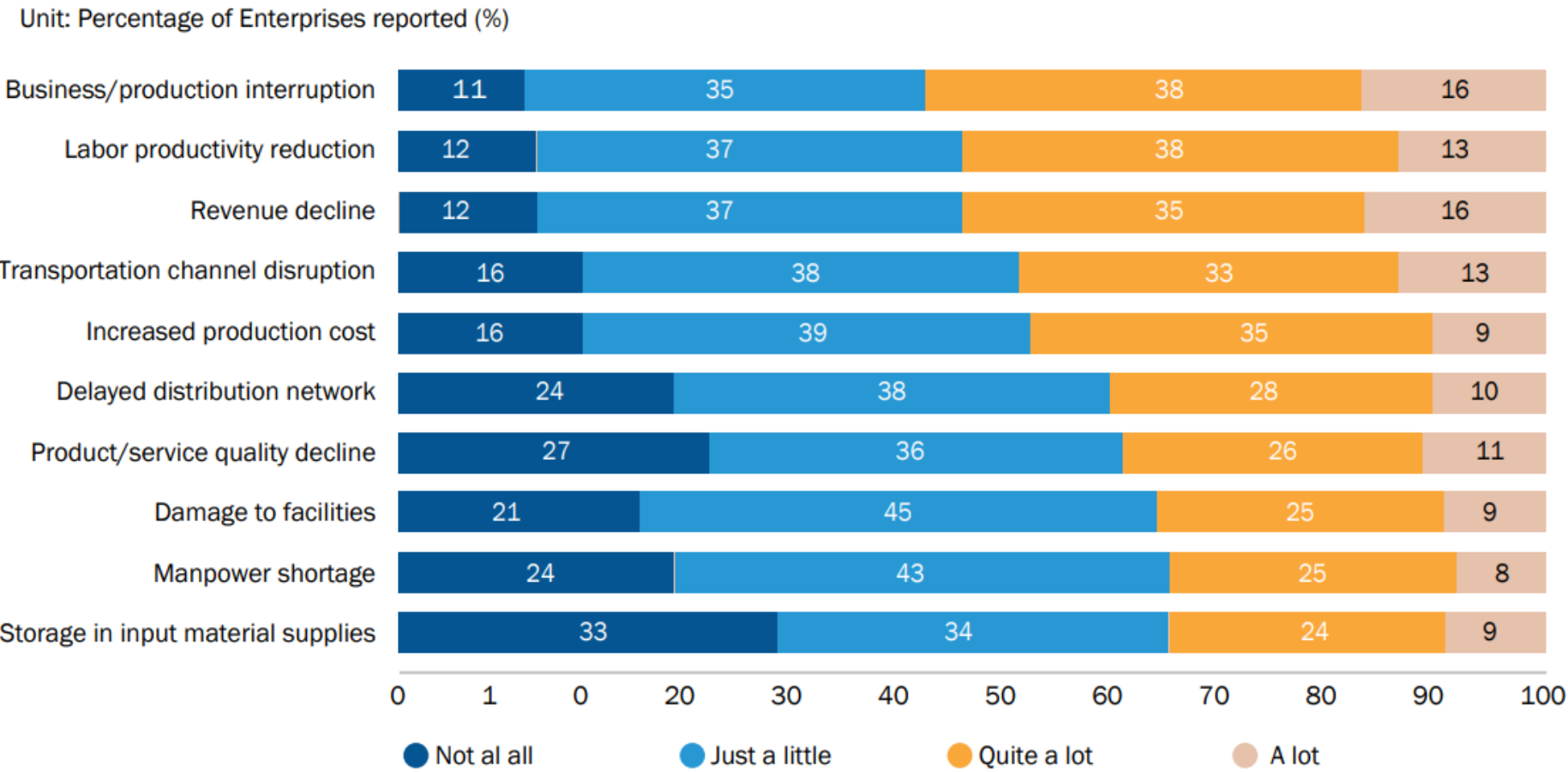


# NATURAL CAPITAL: LOW CARBON AND RESILIENT VIETNAM TO PROMOTE GREEN GROWTH

Low-carbon Vietnam will improve competitiveness



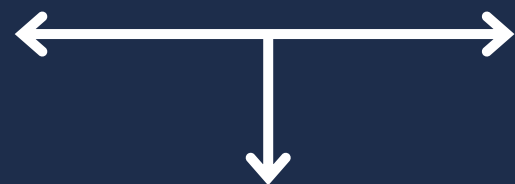
Resilient Vietnam will minimize the cost of climate change



Climate Change Impacts & Disaster Risks observed by businesses 2019

# PROMOTE A LOW-CARBON & RESILIENT VIETNAM FOR GREEN GROWTH

Resilient Vietnam



Low-carbon Vietnam

Green Growth



Efficient Use of Natural Resources





# The Resilient Pathway

Coordinated regional program for  
Mekong Delta

- Stem land subsidence & saltwater intrusion
- Retrofit existing physical assets to better cope with inundation
- Amend Land Law to prevent further encroachment on vegetation
- Strengthen Regional Coordination Council in Mekong
- Encouraging use of green bonds to finance new projects

Integrated coastal resilience investment  
program for main urban centers &  
connecting infrastructure

- Upgrade road & power assets to climate-resilient standards
- Promote resilience, including in industrial parks
- Invest in digital technologies for early warning system
- Introduce insurance & risk-hedging instruments
- Strengthen & enforce effective land-use planning & policies



# The Low-Carbon Pathway

Acceleration of clean  
energy transition

- Improve regulatory framework
- Introduce bankable power purchase agreements
- Ensure investments in power grid capacity
- Effective pricing policies
- Monitor carbon footprint of large private firms

Targeted air pollution  
reduction program in Hanoi

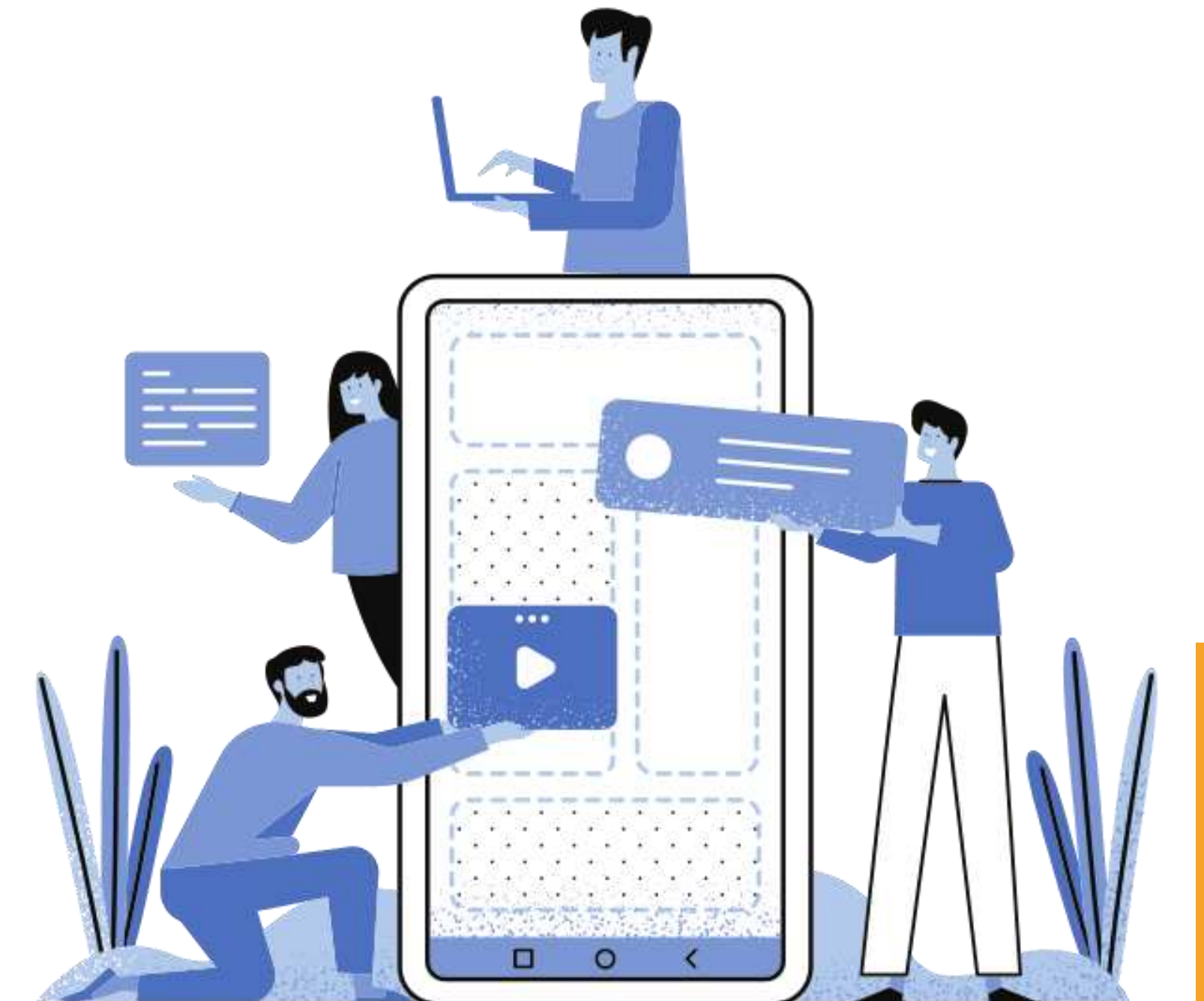
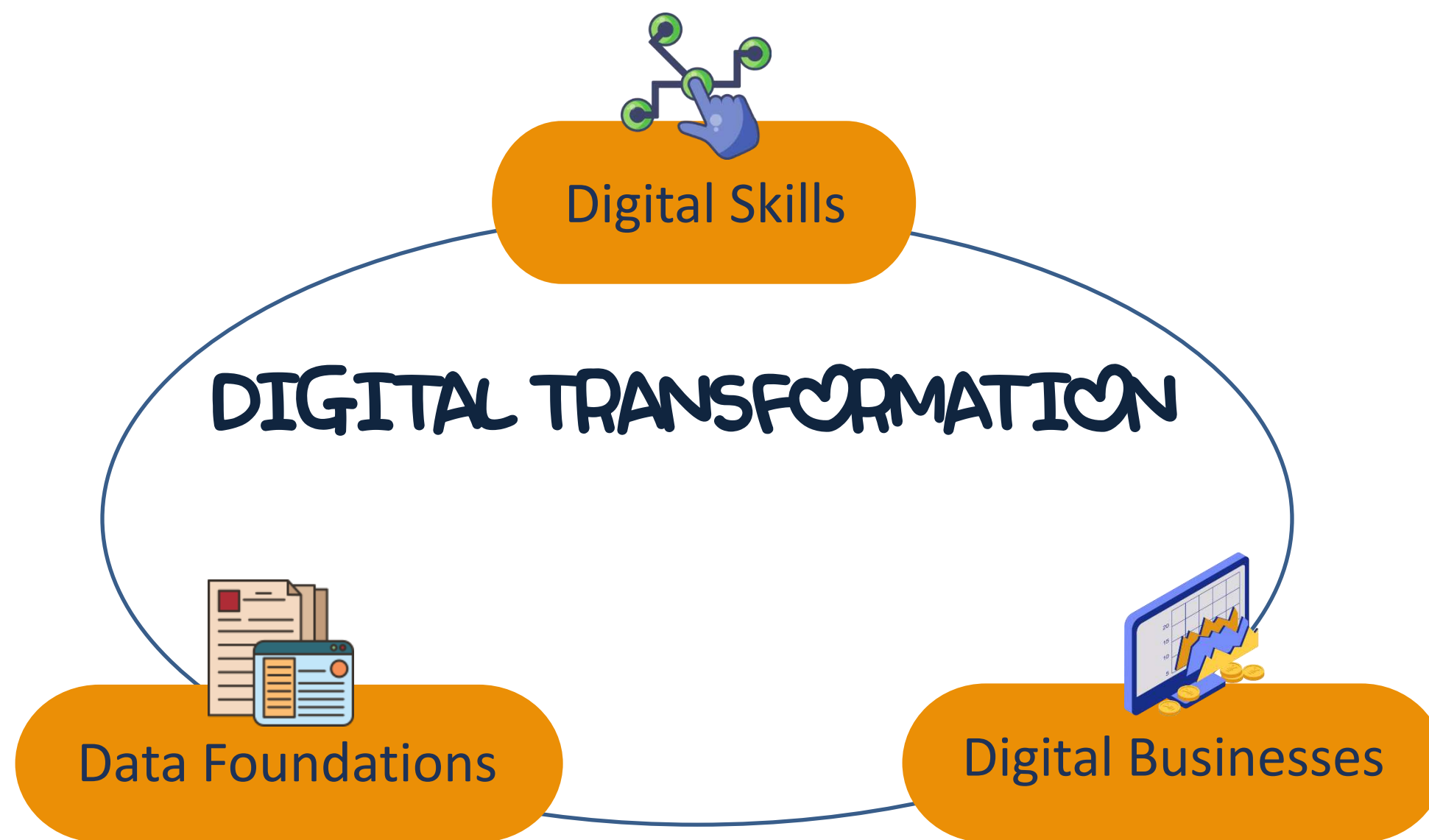
- Reduce reliance on coal
- Use fewer polluting inputs & burn less waste
- Apply tougher standards on motor vehicle emissions
- Improve public transportation

New social  
contract

- Protect most vulnerable population
- Scale up social safety net
- Invest to strengthen workers' skills
- Reform educational training toward green industries
- Raise awareness and call for action from citizens

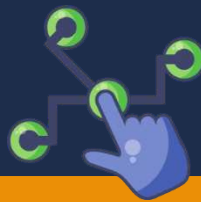


# DIGITAL TRANSFORMATION TO PROMOTE INNOVATION AND PRODUCTIVITY GAINS





# MAKING THE MOST OF DIGITAL TRANSFORMATION



## Digital Skills

- Develop a national digital skills roadmap
- Incentivize investments for quality of education
- Support financially firms & workers to acquire new skillsets



## Data Foundations

- Encourage adoption of high-capacity (5G) digital infrastructure
- Address existing legal, technical & institutional challenges in data sharing
- Strengthen enabling environment & safeguards in the cyberspace



## Digital Businesses

- Reduce barriers to entry to favor competition
- Scale up programs supporting digital start-ups and technology adoption
- Regulatory framework for fintech activities



DIGITAL TRANSFORMATION FOR PRODUCTIVITY GROWTH



# THANK YOU