

Vietnam's tech landscape

Vietnam at a glance



Population

101 million

- **2nd largest** population in South East Asia.
- A young country with **50% under 30 years of age**.



GDP

US\$433 billion

- **35th largest economy** in the world, GPD per capital: US\$4200.
- GDP growth rate will be **6.7%** in the period 2024-2028.



Export

US\$399 billion

- **19th largest exporter** in the world.
- **Top 10 largest** trade partner with the US and the largest one in ASEAN.
- Australia-Vietnam total trade is **\$25.7 billion** (75% increase from from 2020).

Being one of the fastest growing economies, Vietnam is on track to become a high-income country by 2045 and the 20th largest economy globally by 2050.

Vietnam's tech sector



Revenue: US\$141 billion

- Almost **double in value** compared to 2017.
- Contributed to 8.5% of GDP



Digital economy:

- The **growth rate of 20%** per annum, the fastest in SEA.
- Contributed to **16.5% of GDP** (targeting 30% by 2030)



High-tech export: 7th position globally

- **US\$127 billion** from high-tech hardware export.
- **Second largest** smartphone exporter (\$52bln).
- **Top 10 global exporters** of semiconductor devices and IC (\$20bln)
- **US\$3.5 billion** in software and IT services export.



Foreign direct investment:

- **Massive investment flow** in high-tech from global corporations.
- **Tax breaks and other perks** to draw foreign investment.

Vietnam's tech infrastructure



Technology parks:

- 3 high-tech parks in the country attracting US\$16+ billion FDI



Cloud & data centers:

- Top 10 emerging data center markets with 32 data centers
- Cloud computing market has highest growth rate in SEA
- AWS Local Zones to be launched by 2024.
- Microsoft to deploy Azure Cloud on local data centers



Internet & Mobile:

- The Internet usage rate: 79.1 % of the total population
- 4G phone coverage: 99.8% of the population
- 5G trial in 59 provinces, commercialise in 2024



Digital infrastructure master plan to 2030:

- Broadband infrastructure & high-speed internet
- Investment in international telecommunication cable lines
- Large-scale data centers adhering to green standards.

Vietnam's tech talent

Workforce

530,000

working in IT-related sectors

5,500+

chip designers/
semiconductor engineers

59%

of developers from middle to lead or higher level

56%

between 20 and 29 years old

Education

- The education system places a strong emphasis on STEM fields
- 57,000 IT graduates each year from 153 IT institutions

Vietnamese developers' competency

Top 10

in World rank of Best Developers survey by SkillValue

Top 2

in World rank of Best Freelancers survey by SkillValue

23rd

worldwide in Developer Skills Charts by HackerRank

English proficiency

- Vietnam ranked 7th in Asia and 58th globally in EF English Proficiency Index.

Vietnam's tech start-up ecosystem



Startup market

- **Third major startup market in SEA** after Singapore and Indonesia
- Startup investments have risen consistently since 2018, peaking at **US\$1.9 billion in 2021**.
- Investments are mostly from foreign investors with increasing contribution from local funds.



Startup scene

- **4000 startups** in Fintech, EdTech, E-commerce, HealthTech, AgriTech, PropTech.
- 4 unicorns and 11 **valued over US\$100 million**



Support networks and events

- Abundance of accelerators and incubators offering **seed funding, mentorship and high-end facilities**.
- **Active startup community** with regular meetups and pitch events.

Vietnam - a top destination for software development



Attractive location for offshoring

- **Vietnam ranked 7th** in Kearney Global Services Location Index.
- Forbes saw Vietnam as a small but **mighty outsourcing powerhouse** for its highly skilled & competent workforce with competitive labor costs.



Players

- **500+ software companies** providing services to local and global clients.
- From less than 100 headcount to more than **20,000 headcount**.



Markets

- In 2023, Vietnam exported **US\$3.5 billion worth of software and IT services**.
- Major markets include the US, Japan, Europe and APAC.
- Well-known global and Australian brands currently build their software in Vietnam.

The future of Vietnam tech sector

Increasing demands

The Vietnam tech industry's future appears promising, fueled by substantial demand stemming from a flourishing Vietnamese digital economy and the surge of the global IT market.

Success factors

Vietnam tech sector leverages a youthful workforce, a favorable business environment, government backing for digital infrastructure, and nationwide collaboration.

R&D

Vietnamese tech firms are upping R&D for better IT services. Expect more to climb the software industry value chain with premier consulting, design, and globally recognized products.

Global cooperation

Vietnam's Comprehensive Strategic Partnerships, notably with Australia, foster cooperation in the tech sector, driving continued growth in bilateral trading and investment relationships.