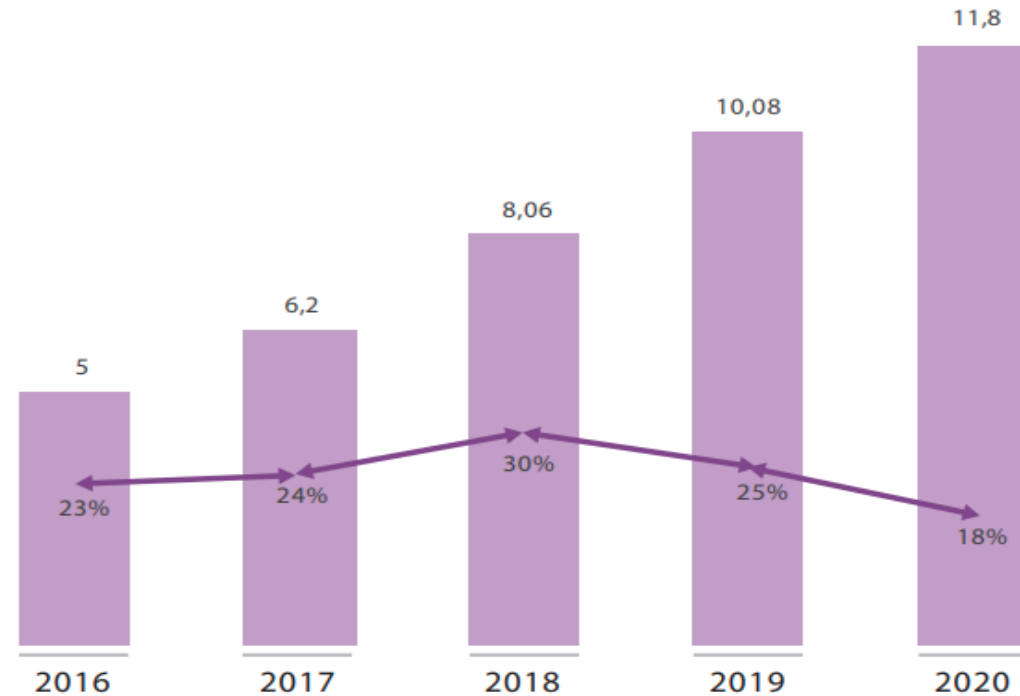




E-commerce in UKVFTA: Development and Policies in Viet Nam

Viet Nam's B2C e-commerce market volume

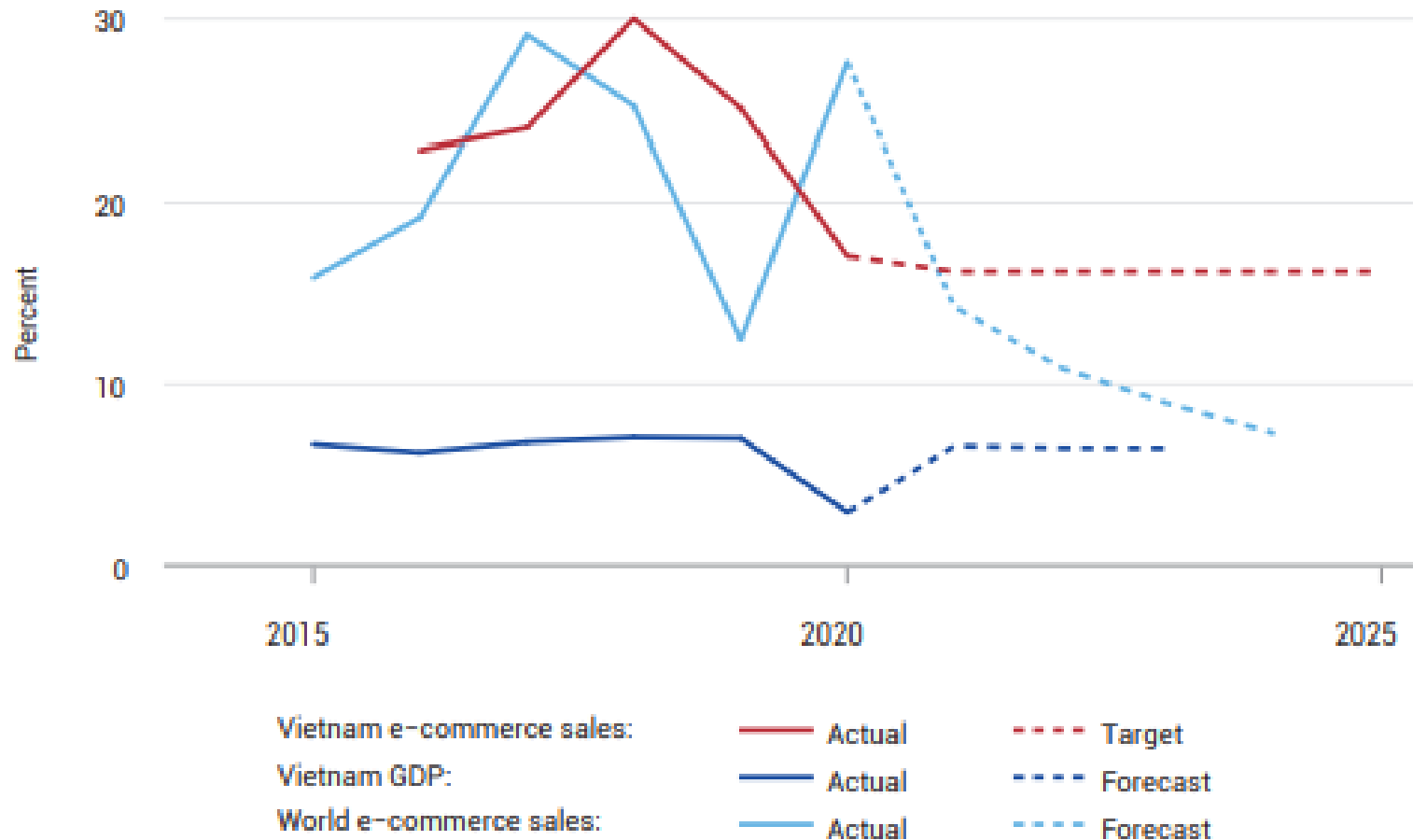


	2017	2018	2019	2020
Number of online shoppers (mil. people)	33.6	39.9	44.8	49,3
Online spending per capita (USD)	186	202	225	240
% of total retail sales	3.6%	4.2	4.9	5.5

Source: Vietnam White book on E-commerce 2021

E-commerce growth in Viet Nam

Growth in world and Vietnam e-commerce sales (%) and growth in Vietnam's GDP (%)



Source: Taking Stock Digital Viet Nam The Path to Tomorrow, World Bank 2021

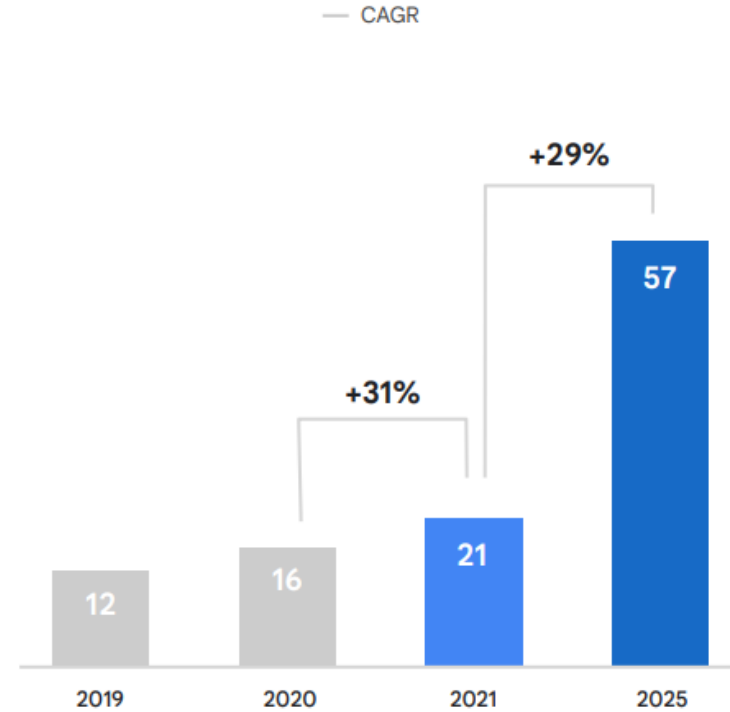
Vietnam



Internet economy reaches \$21B, demonstrating that both government and economy remain resilient

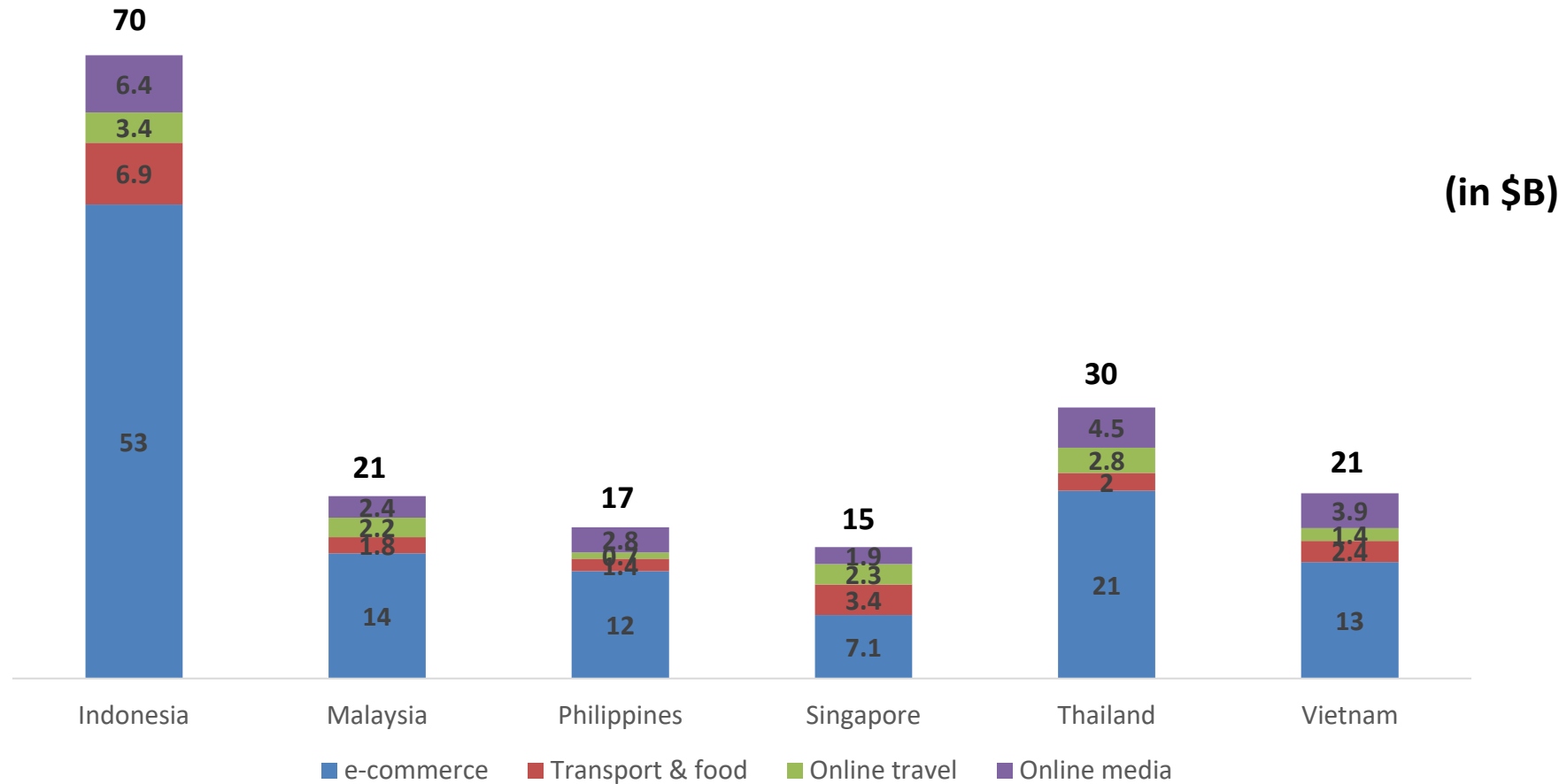
Source: Bain analysis.

Internet economy by GMV (\$B)



Google TEMASEK BAIN & COMPANY

Vietnam Internet economy 2021 vs SEA countries





POLICY AND LEGAL FRAMEWORK FOR E-COMMERCE

LEGAL TEXTS ON E-COMMERCE AND RELATED ISSUES

- Decree 52/2013/ND-CP on e-commerce and Decree 85/2021/ND-CP amendments;
 - Circular 47/2014/TT-BCT;
 - Circular 59/2015/TT-BCT;
- Decree 98/2020/ND-CP prescribing penalties for administrative violations against regulations on commerce, production and trade in counterfeit and prohibited goods, and protection of consumer rights;
- Decree 10/2020/ND-CP on auto transport business and conditions for auto transport business.
- Decree 101/2012/ND-CP on Non-cash payments;
- Decree 126/2020/ND-CP on elaboration of the law on tax administration
 - Circular No. 40/2021/TT-BTC
- Drafts
 - Decree on customs management of e-commerce transacted imports and exports;
 - Decree amending Decree No. 72/2013/ND-CP on management, provision and use of Internet services and online information;
 - Decree on Electronic Identity Identification and Verification.

VIETNAM HAS HUGE POTENTIAL FOR DEVELOPMENT OF DIGITAL ECONOMY

GOVERNMENT'S SUPPORTIVE POLICY FRAMEWORK

Program for National Digital Transformation towards 2025, vision for 2030:

- Promote three pillars: digital government, digital economy and digital society
- Establish Vietnamese digital businesses with global capacity

National Industry 4.0:

- Strongly developing digital economy is one of the main objectives.
- Digital economy to account for 20% of GDP by 2025 and 30% of GDP by 2030

National Master Plan on E-Commerce (2021-2025):

- 55% of the population participate in online shopping
- Non-cash payment in e-commerce reaches 50%

TRENDS

1

Online shopping is surging

2

Online payment services are booming

3

E-commerce & digital economy is growing

NATIONAL MASTER PLAN ON E-COMMERCE IN THE PERIOD OF 2021-2025

Objectives

\$ 35B

B2C e-commerce market

25%

Growth per year

55%

Population conducting online shopping

10%

Delivery cost/product value

50%

Non-cash payment

Goals

Expansive e-commerce adoption among businesses and community

Reduced gap between metro and non-metro areas

Healthy, competitive and sustainable environment for e-commerce

Expanded market for Vietnamese products via e-commerce channels

Top 3 e-commerce markets in ASEAN

UKVFTA- HIGHLIGHT FOR BILATERAL COOPERATION IN E- COMMERCE

- **Objective:** promote the development of e-commerce by cooperating on some specific issues
- **Commitments:**
 - Customs Duties: no imposing customs duties on electronic transmissions
 - Cooperated Issues: focus on regulatory issues related to e-commerce, including:
 - Recognition of electronic signature certificates
 - Liabilities of intermediate service providers
 - Treatment of unsolicited electronic commercial communications
 - Consumer protection in e-commerce
 - Other relevant issues

ROOM FOR COOPERATION

Policy

- Policy inputs and technical assistance
- Cooperated regulatory issues in UKVFTA, esp. for facilitating cross-border paperless trade

Business

- Facilitate cross-border paperless trade
- Access to international markets through e-commerce
- Skill training and capacity building for SMEs

State management

- Compliance with domestic regulations (both by platforms and participants)



THANK YOU