

Italy-Vietnam: a stronger investment partnership to engage with ASEAN.

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During the workshop "Vietnam - gateway to Asia - opportunities for Italian small- and medium-sized enterprises" held in Rome on 23 January, Italian Deputy Minister of Agriculture, **Andrea Olivero**, said that he hopes that Vietnam will continue to connect Italy to the Association of Southeast Asian Nations (ASEAN).

Since 2013, when the two countries established a strategic partnership, Italy has found a very reliable partner in Vietnam: bilateral relations and mutual trade exchange both benefited from stronger cooperation and closer high ranking interactions. Speaking at the workshop, Vietnamese Ambassador to Italy Cao Chinh Thien described Vietnam as a promising market with a large population of more than 90 million. These declaration echoes the ones made in November 2016 by Vietnamese president Tran Dai Quang, who intervened at the Italy Vietnam business forum and met with Italian President Mattarella, setting a 6 billion dollars' exchange volume as the objective for the following year. Hanoi, as TPP (Trans-Pacific Partnership) suffered a dire blow following United States' withdrawal, will look up to Europe, Italy especially, to find business partners. The profound renovation (*doi moi*) of the national economy started in 1986 bore its fruits. The reworked legal framework, the liberalization and the increased openness of the Vietnamese market (culminating in the accession to the WTO in 2007) allowed the economy to grow exponentially (in the first decade of the 2000s, a 7% yearly average). In 2016 the GDP recorded an increase of 6.2%, to this figure contributed, in particular, the flow of FDI with a record amount of 15,8 billion dollars.

Vietnamese products are increasing their market share in Italy (2,936 million euros in export in 2016); the inverse is also true (1,274 million euros in the same time frame). Trade with the European Union (EU 28) is exceeding 41 billion euros, thus making the European Union Vietnam's third commercial partner. European share of the total Vietnamese trade amounts to 13.21%. Brussels and Hanoi are working to finalize legal and language - related issues for the EU-Vietnam Free Trade Agreement (EVFTA); the deal is expected to come into force in relatively short time: many member states will ratify it this year. The EVFTA will increase business opportunities for both parties eliminating many regulatory obstacles and non-trade related barriers and thus boost European and Vietnamese economies. Investments will also be easier and, considering how dependent on them Vietnam's economy is, this, of course, will benefit greatly every party involved. Easier access to the Vietnamese market also means creating a bridge to the ASEAN one. Vietnam's ASEAN Free Trade Area membership since 1995 naturally creates favourable conditions for Italian businesses to invest in the country. Vietnam represents a strategic outpost when looking to engage with the bottomless potential held by a 639 million people market. On the

other hand, a growing economy like the Vietnamese one may find in Italy a fantastic outlet for their investors and an anchor to an equally big market: the European one. Italy is, in fact, promoting foreign investments by launching a visa program reserved to foreign businessmen willing to invest in Italy. **Investorvisa.it** is offering them business proposals and assistance with entry visa and residence permit application procedures.

Source: Vietnamplus