

VIETNAM ICT INDUSTRY

*Your Quality Partner & Opportunities
in South East Asia*



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Vietnam – A New Economy Tiger

In South East Asia

Vietnam is not the Largest economy

But the Fastest

ü **Average GDP growth of 8 % during the last 15 years**

Vietnam – A New Economy Tiger

- ü **Now a member of WTO, Vietnam will be fully integrated into the global economy and becomes an attractive investment destination**
 - ✧ **FDI 2008: \$64B**
- ü **One of the most stable and secure countries**
- ü **Young and well-educated population**
 - ✧ **70% of 87M population under 30**
 - ✧ **Literacy rate more than 90%**
 - ✧ **220,000+ university/college graduates a year**
- ü **Vietnam emerging as a high technology center**
 - ✧ **Invested by IBM, Intel, Renesas, Foxcon , Fujitsu, Canon... to develop/manufacture high tech products**
 - ✧ **IBM has set up an Innovation Center in Vietnam**

Vietnam – Your Emerging ICT Market

**Vietnam ICT is not Developed
But Abundant Opportunities**

Needs ICT products/solutions for

ü87+ million people

üFast growing economy

Vietnam – Your Emerging ICT Market

ICT industry

- ✧ Market revenue (2008): **5.4B** USD (38% increase over 2007)
- ✧ ~ 300,000 people
- ✧ 4,000 companies

Telecommunications

- 70+ M phone/mobile subscribers
 - US\$2 billion will be invested in 3G technology in three-years with up to 30,000 BTS*
 - Three Vietnam companies in world top 100 mobile service providers*
- 21+ M Internet users (17th highest in the world)
 - 2,5M Internet broadband users*
 - International connection bandwidth: 54.6+ Gbps*

è Top 3 fastest growing telecommunication market in Asia



Vietnam – New destination for software outsourcing

- ✓ **Vietnam is on Top Ten of A.T. Kearney's Global Services Location Index 2009**
- ✓ **Ho Chi Minh City on KPMG 'locations to watch' for next outsourcing boom**
(KPMG Advisory , 2009)
- ✓ **“Ho Chi Minh City the 4th of Top 50 Emerging Outsourcing Cities”**
“Hanoi the 11th of Top 50 Emerging Outsourcing Cities”
(Global Services-Tholons, 2008)
- ✓ **Ho Chi Minh City is “The most attractive non-Indian destination for offshoring jobs”**
(NeoIT, 2006)

Vietnam – Who already outsourced to Vietnam?



Microsoft



NORTEL

ORACLE

FUJITSU



TOSHIBA



FLEXTRONICS

HITACHI
Inspire the Next



FOXCONN

RENESAS

Vietnam software outsourcing – Why attractive?

Ü Large talent pool

- 30K – 40K ICT graduates a year
- > 300 ICT universities/colleges

Ü Quality

- Meet stringent quality requirements from world leading companies
- Adoption of international quality standards: ISO, CMMi...

Ü Competitive Cost

- 40% lower than China & India (neoIT, 2006)

Ü Low Attrition

- Less than 10%

Ü Strong government support for the software industry

- Tax, training & education, software/high tech parks etc.



Why Vietnam for software outsourcing?

Vietnam is not the **Top Country for software outsourcing**

But you can get **Top People for your works**

Supply will continue to exceed demand for many years

è Only top people are employed

Vietnam – The Outlook

- **Economy: new Asia tiger**
- **High tech industry: new hot spot**
- è **Many investment opportunities**



Opportunities for Co-operation

- **Promote/Distribute your ICT products in Vietnam**
 - **The fastest growing and the most attractive ICT market in South East Asia (GfK, 2007)**
- **Your partner in South East Asia**
 - **Technical support**
 - **Localization**
 - **Testing**
- **ICT outsourcing**
 - **Tap into the Vietnam large pool of young talents**
 - **increase your competitiveness**

