



CENTRAL AND EASTERN EUROPEAN CHAMBER OF COMMERCE IN VIETNAM

QUARTERLY REPORT



Q2/2019

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TABLE OF CONTENT

02 External Relations & News

06 CEEC Events

07 Practical Information

11 CEEC Members' News

13 CEEC Publication

14 Events

Corporate Partner



The banner features the Vinconex logo on the left, consisting of a stylized starburst with red, pink, blue, and yellow segments. To its right is the slogan "Do something amazing" in a blue sans-serif font. On the right side, the MBAGEAS LIFE logo is displayed, featuring a white starburst icon above the text "MB ageas life" and "BẢO HIỂM NHÂN THỌ" below it. At the bottom, contact information is provided: "VINCONEX BUILDING - 34 LANG HA, DONG DA, HANOI | (84 24) 222 9 8888 | MBAGEAS.LIFE | FB.ME/MBAGEASLIFE.OFFICIAL".

Recommended Logistics Partner



The banner is split into two main sections. The left section has a dark background with the text "BRIDGING EUROPE AND ASIA" in orange and "Along the Silkroad" in white. Below the text is a collage of images showing a cityscape, a train, and a ship. The right section has an orange background with a white line-art illustration of a bus, a train, and a ship. Below the illustration is the Gebrüder Weiss logo, which includes a stylized "GW" monogram and the text "Gebrüder Weiss" and "Transport and Logistics".

SIGNING FREE TRADE AGREEMENT (FTA) AND INVESTMENT PROTECTION AGREEMENT (IPA) BETWEEN THE SOCIALIST REPUBLIC OF VIETNAM AND THE EUROPEAN UNION



On Sunday, 30th June 2019 – The European Chamber of Commerce in Vietnam (EuroCham) joined the Prime Minister of Vietnam, H.E. Nguyen Xuan Phuc, EU Trade Commissioner Cecilia Malmstrom, and Romanian Minister of Business Environment, Trade and Entrepreneurship Ștefan-Radu Oprea, at the official signing of the EU-Vietnam Free Trade Agreement (EVFTA) and Investment Protection Agreement (EVIPA) in Hanoi. Mr. Nguyen Hai Minh, CEEC Executive Committee Member, also EuroCham’s Vice Chairman had the honour to be there to witness the historic moment.



Mr. Minh Nguyen – CEEC Board Member cum Vice Chairman of EuroCham, and HE Mr. Ștefan-Radu Oprea – Romanian Minister of Business Environment, Trade and Entrepreneurship

There Mr. Minh Nguyen also had chance to introduce CEEC to H.E. Mr. Ștefan-Radu. After understanding about us with our mission, Mr. Ștefan-Radu also expressed his expectation for CEEC to continue being the bridge between CEE countries and Vietnam. It’s hoped that there will be more cooperation opportunities in upcoming time.

This remarkable signing event moves the EVFTA one step closer to ratification, ahead of a crucial vote in the European Parliament. Once the agreement enters into force, it will set in train a gradual elimination of almost all tariffs on goods traded between the EU and Vietnam, opening up new opportunities for investors and consumers on both sides. EU investors will get greater access to Vietnam’s fast-growing market, while businesses in Vietnam will get greater access to the EU’s over 500-million consumers. While the agreement will benefit companies of all sizes and in all industries, those selling textiles, footwear, furniture, leather goods, and agricultural produce will be some of the biggest beneficiaries of tariff elimination and more open markets.

MARIJA PEJČINOVIĆ BURIĆ ELECTED SECRETARY GENERAL OF THE COUNCIL OF EUROPE



The Assembly today elected Marija Pejčinović Burić (Croatia) Secretary General of the Council of Europe for a five-year term beginning on 18 September 2019.

In the first round of the election Marija Pejčinović Burić obtained 159 votes, an absolute majority, and Didier Reynders (Belgium) 105 votes. There were 264 votes cast.

Ms Pejčinović Burić is Deputy Prime Minister and Minister of Foreign and European Affairs of the Republic of Croatia.

ANNOUNCEMENT: CEEC HANOI OFFICE RELOCATION

CEEC in Vietnam would like to inform you for Hanoi **Office relocation** as follows:

Old Address: Unit 08, Floor 3B, Horizon Tower, 40 Cat Linh, Dong Da District, Hanoi

New Address: Mazars Office, Floor 17, MIPEC Tower, 229 Tay Son, Dong Da District, Hanoi

We do apologize for any inconvenience the relocation may cause.



CEEC AT THE VIETNAM PRIVATE SECTOR ECONOMIC FORUM 2019



On 2 May 2019, at Vietnam Private Sector Economic Forum, our Vice Chairman, Mr. Csaba Bundik, participated in the session on new business models and creative start-ups in Vietnam.

Here he had chance to share his experience in this field and also to give recommendation. Firstly it's about education for start-up and businesses as well as training the bank to understand and invest for start-ups. For example, at first, angel investors don't have much knowledge on start-ups, that's why it's necessary to focus on education, then

gather knowledge from the early stage to IPO stage.

Secondly, Vietnam can learn from many countries. Mr. Csaba gave an example on Malaysian government who has taxation incentives for angel investors. If you invested in a start-up, you will get income tax deduction. The second thing was the sandbox testing mechanism, which could be useful in short term but may not work in the long run. In addition to tax incentives, if angel investors bared the loss, the Government may reimburse a part of it, so as they can be assure for their upcoming investment. From which the process will be faster and more balanced between public and private sectors.

And last but not least, Mr. Csaba thought it is necessary to bring start-up education program into the school. In addition, technological factors need to be promoted in start-ups in Vietnam for better competition at country level.

CEEC MET THE SLOVAK BUSINESS DELEGATION



CEEC, represented by Chairman Mr. Marko Moric and Executive Committee Member Mr. Florian Beranek, was hosting the Slovak Business Delegation on 28th May 2019, accompanied by representatives of the Slovak Embassy in Vietnam and the Slovak State Agency for Promotion of Investment and Trade. An impressive delegation of 13 companies from the beverage and green growth sector participated in business meetings in Hanoi and HCMC.

During their visit in Hanoi, CEEC Chairman gave a brief introduction about the Chamber and its activities. CEEC distributed “Doing business in Vietnam” guide to the delegates.

Following meetings in Hanoi, on 30th May 2019, CEEC was delighted to welcome Slovak companies in HCMC. Delegates were welcomed by CEEC Chairwoman, Ms. Magdalena Krakowiak. After introduction of each participant, CEEC Executive Member, Ms. Kadri Lahi, shared practical information about market entry and organizational structures utilized by foreign companies to operate in Vietnam. Businesses represented discussed best structures for their type of activity.

Afterwards, Mr. Truyen Nguyen, representing Raiffeisen Bank in Vietnam, explained financial aspects of doing business in Vietnam and strategies to fund business. Later, Ms. Nora Bihari from the South-East Asia IPR SME Helpdesk introduced their project and Ms. Marta Bettinazzi, the



Intellectual Property Business Advisor, gave a general overview of intellectual property rights (IPR) in Vietnam, indicating how important for European SMEs it is to protect their brands.

In the final part, CEEC Executive Committee Member and Treasurer of the Eurocham Green Growth Sector Committee, Mr. Christoph Schill talked about the green growth field with the focus on renewable energy, packaging and recycling. The meeting ended up with a general discussion about Vietnam investment and one-on-one business opportunities. We hope to welcome more investment from Slovakia in upcoming time to Vietnam.

SWAROVSKI (MARIGOT VIETNAM) FACTORY TOUR



On Monday, 17th June 2019, CEEC had an exceptional opportunity to visit the Swarovski factory (Marigot Vietnam) and learn about the production process of the amazing jewelry with Swarovski crystals. During this tour, we could not only experience first-hand about the history of Swarovski and a living example of a factory establishment in Vietnam, but we were also told about further plans and we could see every step of the jewelry production. On that occasion we would like to thank the Management Team of

Marigot Vietnam for the hospitality and all the insights they shared with us.

ANNOUNCEMENT: QATAR AIRWAYS NOW BECOMES OFFICIAL PARTNER OF CEEC

CEEC is honored to announce that Qatar Airways has officially become our Partner. For that, all CEEC members will have attractive incentives to fly with Qatar Airways.

For the details about discount code and related information, please contact us by email at office@ceecvn.org or monika@ceecvn.org



SHARE&(L)EARN

“Train and Treat them well”



The 11th Share & (L)Eearn event took place on 6th June 2019, with the topics related to the employees' motivation: “Train and treat them well”.

At the beginning, Mrs. Magdalena Krakowiak, CEEC Vice-Chairwoman warmly welcomed all guests and presenters. After short introduction of herself, CEEC and the event, she thanked to Mr. Tamas Domokos from the Consulate General of Hungary for hosting the event.

Then she invited the speaker, Ms. Thanh Le, Director of the Adecco office in HCMC to give

her presentation “Retaining Talent in Vietnam Does One Size Really Fits All?”

Based on the survey conducted by CEEC and AIESEC, we also found out that financial gratification is less important than the possibility of a professional development and a friendly environment for the talented youth while looking for a job.

We could also hear that benefits offered to the employees quite often don't match their expectations and needs, based on the survey conducted by Adecco on working mums.

To keep the talented staff, a leader should identify their needs and match them with the organization. Building of a relationship focused on each employee separately, eliminating the communication barriers, empowering staff to develop networking inside the company and finally, consulting an expert, can help in retaining talented people.

The presentation was followed by a panel discussion with the participation of experts from Adecco, Ms. Thanh Le, representative of AIESEC Vietnam, Ms. Tu-Anh Luong and Chief Talent Officer of Publicis Groupe, Mr. Anthony Tran. Experts were unanimous saying that the Vietnamese labour market is candidate-driven and that employees can pick and choose where they want to work.



However, the employers should remember that Vietnam is still a developing country and some skills are not available yet as there is a lack of experience and education. Ms. Thanh highlighted that recruiting companies don't create talents, they only match them with the clients' expectations.

The S&L was concluded with the experts' advises on motivating employees in the middle of their career path. Key 3 advices are: possibility to upskill through different trainings, opportunity to contribute in a company's development and availability to provide balanced life.

How to Start a Wholesale or Retail Sales Business in Vietnam By EMERHUB

Vietnam is the third largest market in Southeast Asia and one of the fastest-growing economies in the world. Its young population and robust consumer spending provide lucrative opportunities for many types of businesses. Particularly for those who are selling consumer goods.

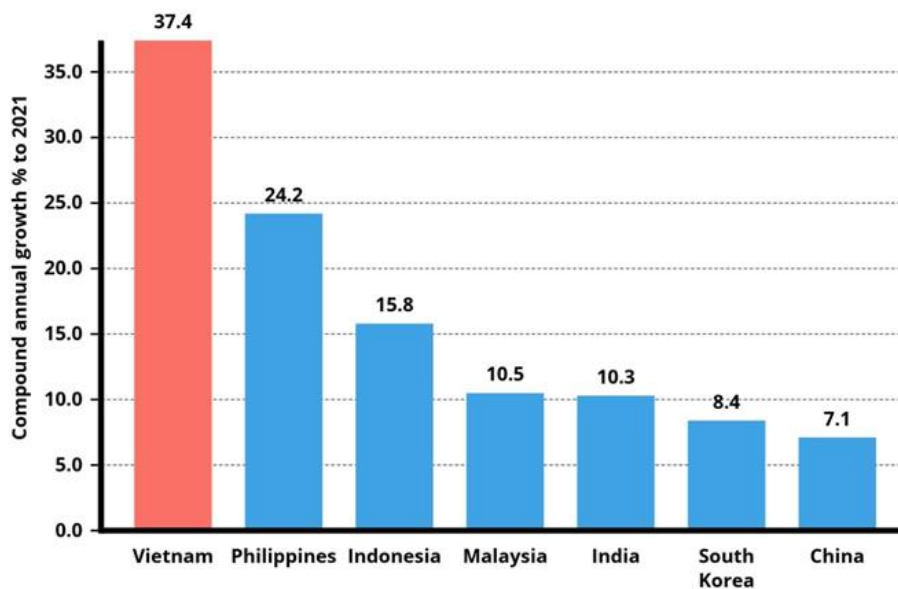
How to enter Vietnam's wholesale and retail market, and what are the requirements for foreign investors? In this article, we are going to walk you through the process of setting up a wholesale or a retail sales business in Vietnam.

Wholesale and retail sales in Vietnam in 2019

In 2018, the retail and wholesale sector was the second most popular sector for M&A deals in Vietnam. In its 2019 Foresight Report, research company CEIC Data highlights consumer goods as one of the industries with the highest M&A potential in Vietnam.

An international grocery research organization IGD also forecasts Vietnam to be the fastest-growing convenience store market in Asia by 2021.

Convenience market growth in Asia 2017-2021



Source: IGD

EMERHUB

You can register a wholesale or retail sales business in Vietnam in one month after which you can:

- open a bank account
- make the capital contribution
- hire staff
- apply for product registration
- obtain a trading license (for retail)

The retail market in Vietnam

Retail, by definition, means the act of selling products to direct consumers (B2C), either by opening a physical shop or by selling goods online.

Recent years have seen an influx of investments in Vietnam, which has consequently brought along a rapid growth in Vietnam's retail sector.

In AT Kearney's latest Global Retail Development Index (GRDI), Vietnam ranks 6th among other markets with sustainable retail potential. While many of the Vietnamese still prefer buying their goods from physical shops, shopping online is on the rise as well.

According to Deloitte's recent report on retail in Vietnam, Vietnam's e-commerce market is forecast to grow second in Southeast Asia by 2025, only following Indonesia.

Biggest retailers in Vietnam

Some of the largest retailers in Vietnam are:

- Vingroup (e.g., VinMart supermarkets and VinMart+ convenience stores)
- TheGioiddong (electronics)
- Circle K (convenience stores)
- Guardian (health and beauty)

One of the ways to enter Vietnam's retail sector is via the M&A route. Foreign investors can also choose to franchise as their market entry strategy. In Vietnam, foreign investors can be franchisors as well as franchisees. It is also possible to expand your franchise to Vietnam without even setting up a company here.

How to set up a retail company in Vietnam?

Vietnam allows investors to set up 100% foreign-owned retail companies. The general process of registering a retail company in Vietnam is the same as for registering any other foreign investment company in Vietnam and takes up to one month.

Founders must first get the investment license and the business registration certificate (BRC). Once the necessary permits are in place, the company can register for taxes, open a bank account, and inject the capital contribution.

However, retailing in Vietnam also requires a trading license from the Ministry of Industry and Trade, which will add 6 to 12 weeks to the process. You can apply for it after the capital contribution payment.

Some products require registration before you can start importing them. You can register these products after incorporation. Certain products also need further testing, which you can already conduct earlier.

Note that you can start importing the goods once the products are registered or when the company obtains the BRC. However, you cannot sell them until you have a trading license.

How to register a retail company in Vietnam



The minimum capital requirement in Vietnam

There is no official minimum capital requirement in Vietnam for retail and wholesale companies.

However, keep in mind that the Department of Planning and Investment (DPI) will approve your investment based on whether the capital you stated complies with your planned expenses.

For example, if you are going to build or renovate physical shops to sell your products, the minimum capital contribution must include the cost of construction.

Selling online vs. opening physical shops in Vietnam

In Vietnam, you will need to register every physical retail shop you have. In the case of online selling, the registration of the website depends on the type of retailing you are going to conduct.

If you are going to operate a website to sell your products, it is sufficient if you only carry out a notification procedure for your website, which takes approximately ten days.

However, if you're planning to operate an online marketplace or a classified in which different merchants gather to sell their goods, your website requires registration with the Ministry of Industry and Trade. The website registration procedure will take up to one month.

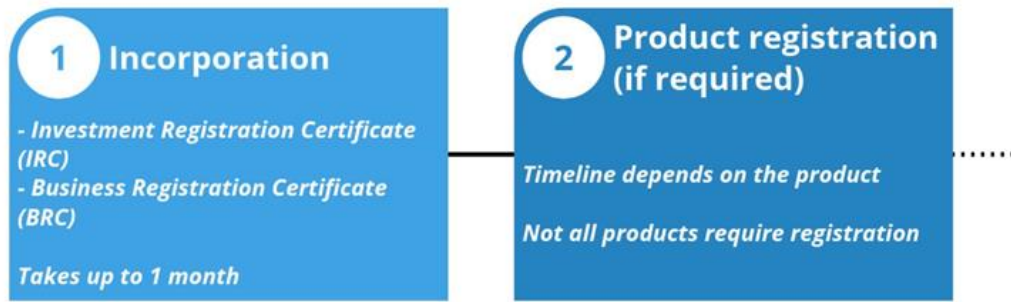
Wholesale in Vietnam

Wholesale is defined as sales between business to business (B2B), usually to distributors. While retail companies in Vietnam also need to obtain a trading license after incorporation, wholesale companies can start operating as soon as the company is registered.

How to register a wholesale company in Vietnam

The general company registration process is the same as described above for the retail company registration and takes up to one month.

How to register a wholesale company in Vietnam



EMERHUB

If the products that you are going to wholesale in Vietnam don't require registration, you can start importing after company registration. Products can be sold to businesses after they reach Vietnam.

Product registration in Vietnam

Note that not all products require registration in Vietnam. For example, you can import commodities without registering them.

In this case, both wholesale and retail sales companies can start importing goods to Vietnam as soon as the company is registered.

However, if a product does require registration, you can import it after registration. The exact timeline of registration depends on the product. For example, the registration of cosmetic products in Vietnam generally takes 15-30 working days.

Other products that must be registered are:

- electronics
- food and beverages
- medications

Keep in mind that while both retail and wholesale companies can start the import once the products are registered, retail sales company cannot sell products before they have also obtained a trading license.

Contact Emerhub at vietnam@emerhub.com for more information and consultation.

WELCOME TO NEW MEMBERS

We are pleased to welcome our new corporate members as shown as below. Further details can be found on [CEEC Website](#)

**WELCOME NEW
CEEC MEMBERS**

June
2019

Grindex

An innovative, internationally operating pharmaceutical company, headquartered in Latvia, part of Northern Europe

Grindex is a vertically integrated pharmaceutical company with the history from 1946. Its main fields of action are research, development, manufacturing and sales of original products, generics and active pharmaceutical ingredients. The company specializes in the heart and cardiovascular, CNS and anti-cancer medication therapeutic groups.

CEE **EC**
CENTRAL AND EASTERN EUROPEAN CHAMBER OF COMMERCE IN VIETNAM

HEALTH CHECK UP FOR WORK PERMIT

CAREPLUS NEW SERVICE

CarePlus recently introduced its new service – the health check-up for work permit.

With two packages – Advanced and Standard – for both male and female, you can have not only full set of certified health record for work permit, but also comprehensive conclusions about your own health.

With all staff speaking English, CarePlus commits advanced support for your health check issues. CarePlus Medical Report for work permit is valid throughout Vietnam.

For all items and packages, please follow the link <https://careplusvn.com/en/work-permit-health-check-for-foreigners-2>

The price list can be found [here](#).

For further information about special offers for group registration, please send an email to Ms. Nguyet at nguyet.nguyen@careplusvn.com or contact CarePlus free hotline **1800 6116** for appointment booking.

CarePlus is look forward to serving you at their international standard clinics!



WORK PERMIT HEALTH CHECK FOR FOREIGNERS

KHÁM SỨC KHỎE XIN GIẤY PHÉP LAO ĐỘNG CHO NGƯỜI NƯỚC NGOÀI

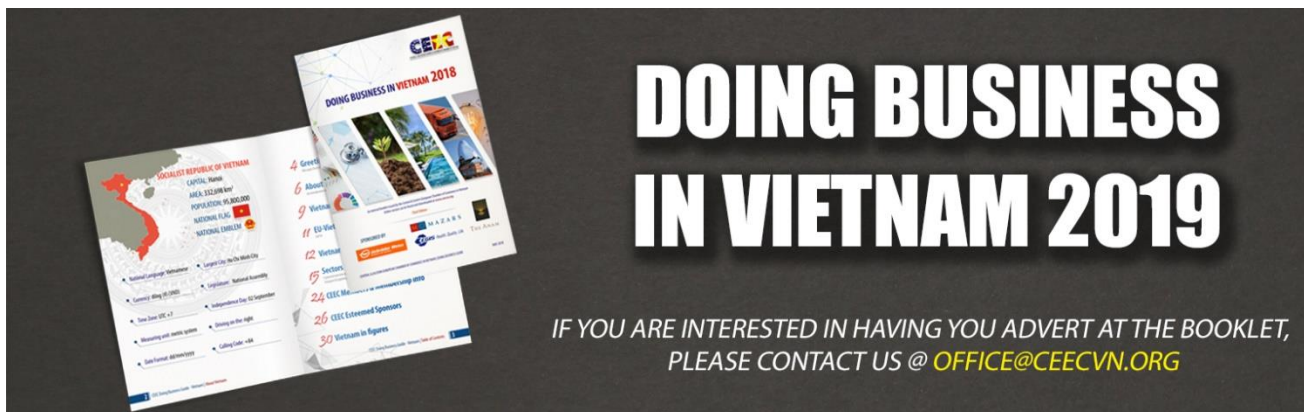
Dedicated to support your career milestone.

CarePlus - Sự hỗ trợ tốt nhất cho cột mốc sự nghiệp của bạn

		
TIME SAVING Nhanh chóng	COMFORTABLE Thoải mái	AFFORDABLE Chi phí hợp lý

(*) Please bring your Passport and two 4x6 photos with white background for the Work Permit Health Screening.
Vui lòng mang theo Hộ chiếu và 2 tấm hình 4x6 chụp trên nền Trắng khi đến khám sức khỏe.

ONLINE BOOKING www.careplusvn.com FREE HOTLINE **1800 6116** FANPAGE [/careplusclinicvn](https://www.facebook.com/careplusclinicvn)



IF YOU ARE INTERESTED IN HAVING YOU ADVERT AT THE BOOKLET,
PLEASE CONTACT US @ OFFICE@CEECVN.ORG

“CEEC DOING BUSINESS IN VIETNAM 2019”

The fourth edition of “Doing Business in Vietnam 2019” is under preparation and would be launched in September.

The guide gives newcomers a better understanding of the Vietnamese market. It is a tool to diverse and to facilitate the outreach to the companies by highlighting the potential in the Vietnamese market in general and with some special focuses on several sectors. The main theme of the guiding book is the overview of the Vietnamese market and its most potential sectors, along with general information about CEEC.

For further information, the highlighted content includes:

- CEEC intro and contact information
- Vietnam political and economic outlook
- EU – Vietnam Free Trade Agreement (EVFTA)
- Vietnam at a glance for business
- Sectors introduction:
 - ICT Vietnam
 - Education
 - Agriculture
 - Healthcare
 - Transport & Logistics
 - Tourism & Hospitality
 - Clean Technologies
- CEEC members & Sponsors

Contact us at office@ceecvn.org for further details if you’d like to advertise your company or sector information in the guiding book.

UPCOMING EVENTS

CEEC Networking Event of July in HCMC



YOU ARE INVITED TO THE

CEEC NETWORKING EVENT OF JULY

Join us for get-together evening
and enjoy

Welcome drink,
Discounted bevarages
and finger food

THURSDAY, July 4, 2019

 House of Barbaard
12/4B Nguyen Thi Minh Khai, District 1, HCMC
FROM 6.30 pm

CEEC Corporate Partners:

FIND US ON:

**HOME
CREDIT**

Gebrüder Weiss
transport and logistics

Further information will be updated on CEEC website: www.ceecvn.org/events/
Please check our website regularly for upcoming interesting events!

PAST CO-HOSTED & SUPPORTED EVENTS

Earth Day 2019 – the Nationwide Clean-up campaign



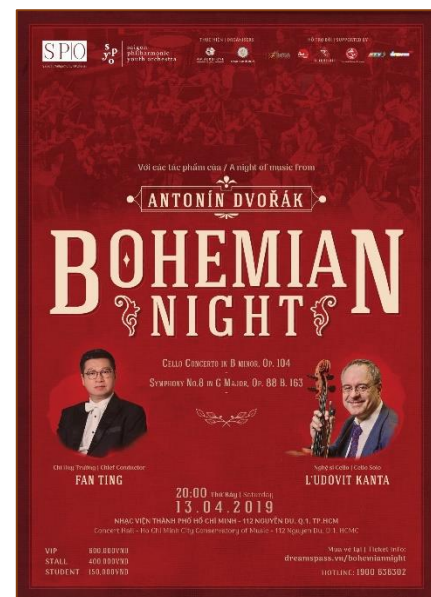
The 3rd Annual AVCJ Vietnam Forum, HCMC



Business Thursdays by BBGV



“Bohemian Night” – concert in Saigon Opera House



Business Thursdays on May 9th by EuroCham

SUPPLY CHAIN: A COMPETITIVE BUSINESS STRATEGY – Breakfast talk by SBAV

BUSINESS THURSDAYS

★ May 9th, 2019 ★

ODE TO JOY night

Celebrating 'European Day' on 09/05/2019

Come to meet old friends and make new friends while enjoying the best craft beer in town

18:00 - 21:00, May 9th 2019
 Add: The 100 Beer Garden, 68/238 Au Co, Quang An, Tay Ho, Hanoi
 Entrance fee: only 180,000 VND includes 1 beer/1 soft drink | 1 glass of wine | finger food

Pre-registration is required to tamanh@eurochamvn.org or calling 3715 2228


Beer sponsored by **FURBREW** (BIA THỦ CÔNG - NẾU TÀI HÀ NỘI CRAFT BEER - HÀ NỘI)

Lucky draw sponsored by **TERRAVERDE TRAVEL** (Cambodia Laos Myanmar Vietnam), **RED APRON**, **AVANI**, **PAN PACIFIC**, **THE ANAM**

Organized by **EUROCHAM**, **GBA**, **BBGV**, **CONFERENCE VIETNAM**, **CEFC**, **ICHAM**

SBA SINGAPORE BUSINESS ASSOCIATION VIETNAM

CEO Breakfast Talk Series by SBAV



Designed & Delivered for the CEO of the Future to anticipate global trends and opportunities to take your business forward

SUPPLY CHAIN : A COMPETITIVE BUSINESS STRATEGY on 24 April 2019 at Fortuna Hotel, Hanoi from 8.30 – 10.00 a.m. Our speaker has been recognised as one of the foremost thinkers in supply chain strategy by the Supply Chain Council of China.

Manage Governance, Compliance and Integrity better when doing business in Vietnam

belux cham BELGIUM CHAMBER OF COMMERCE AND INDUSTRY

MANAGE GOVERNANCE, COMPLIANCE & INTEGRITY BETTER WHEN DOING BUSINESS IN VIETNAM

04/06
8.00AM-2PM
BELGO RESTAURANT

RSVP: LeBichThuy.Hoang@diplobel.fed.be (before May 24th)

Companies have been thinking about how they can contribute to development and how to manage their impact on the environment and society better. A lot has been said on ethical business, sustainability, due diligence... This interactive event – accompanied by senior experts - aims to introduce businesses to the latest compliancy rules & practices. It also wants to provide a meeting point between businesses and development actors. The latter in line with the establishment of the "The Shift" platform in Belgium.

Networking event with Austrian Live music band

DeutschenTreff

Special Austrian Edition

Dear Members and Friends,

come and join us at our monthly networking event "DeutschenTreff"

Saturday, 08 June 2019 | 6 pm - 9 pm
Deutsches Haus Ho Chi Minh City, Conference Center, Level 2
33 Le Duan Blvd., Dist. I, HCMC

This month's event will be a special Austrian edition, featuring an evening with Austrian live music group: including 8 musicians from the band "Die Tiroler Festtagsmusik" and 8 dancers from the dancing group "Die Schwazer Silberplattler"

Invite your business partners, family and friends. Immerse in the folk tunes and dances, as well as enjoy a premium German buffet and free-flow 7 kinds of German imported beer.

Ticket price: 550,000 VND / person (including food and beverage)
 Children: 10 -16 years old: 250,000 VND/ person. Under 10 years old: free of charge

R.S.V.P: Ms Mai Anh - maianh@gba-vietnam.org - 0903 720 788

We look forward to welcoming you.

Best regards,
 German Business Association
 + inviting partner organizations

GBA Corporate Partners 2019

DEUTSCHES HAUS HO CHI MINH CITY, Deutsche Bank, FESTO, Mercedes-Benz, Rödl & Partner, SCHAEFFLER, WÜRTH