

QUARTERLY REPORT

Q1 / 2023



Corporate partners



**HOME
CREDIT** mazars



01. INTRODUCTION

<i>Message from CEEC Chairman</i>	03
-----------------------------------	----

02. EXTERNAL RELATIONS

<i>CEEC Annual General Meeting 2023 and new Board introduction</i>	04
--	----

<i>CEEC met with the delegation from Kazakhstan</i>	06
---	----

<i>CEEC attended the Hungarian National Day celebration</i>	07
---	----

<i>CEEC Board Members & Members attended Eurocham AGM 2023</i>	08
--	----

<i>CEEC Board Member spoke at VITV's seminar</i>	09
--	----

<i>CEEC welcomes new Corporate Members</i>	10
--	----

03. CEEC INFOGRAPHICS

<i>Agriculture, forestry, and fishery (AFF) exports</i>	11
---	----

<i>ASEAN countries market share</i>	12
-------------------------------------	----

04. CEEC MARKET INSIGHTS

<i>Bulgaria's economic outlook for 2023: opportunities and challenges ahead</i>	13
---	----

05. CEEC CORPORATE PARTNER

<i>Announcement on continuation of partnership with Gebrüder Weiss</i>	16
--	----

06. EVENTS

<i>Share&Learn seminar: Cultural Awareness</i>	17
--	----

<i>Upcoming events</i>	18
------------------------	----

07. MEMBERS NEWS

<i>Mazars "CEE: Inbound M&A report 2022/2023"</i>	19
---	----

08. CEEC MEMBERS 2023	20
------------------------------	----

MESSAGE FROM CEEC CHAIRMAN



Dear our Esteemed Members, Colleagues and Friends,

I'm pleased to present to you our newest Quarterly Report, where you can find our recent activities, interesting articles and events.

Firstly, CEEC successfully conducted the Annual General Meeting (AGM) 2023, with the participation of our current Board members, Members and the Trade Counselors of CEE countries. During the meeting the summary of the chamber activities, the strategy plan for upcoming 3 years, and the budget were presented and approved. Additionally the new and standing for re-election candidates to the Board were elected.

I would like to take this opportunity and honor Csaba Bundik, who initiated the establishment of CEEC and Christoph Schill who joined this initiative. Both of them were extremely important figures in CEEC. They put a lot of time, commitment and heart into the development of the chamber and they will have a special place in CEEC. Thank you!

CEEC Board members also participated at the EuroCham AGM 2023, where we looked back an active and successful year of EuroCham and new Board was elected. CEEC will be represented, as last year, by Minh Nguyen, CEEC Board Member and Treasurer. Congratulations to EuroCham and its new Board!

Moreover, Gebrüder Weiss will remain CEEC Silver Corporate Partner for 2023. On that occasion, I would like to thank to Gebrüder Weiss for continuous support to CEEC.

Last but not least, during the last quarter, we've organized together with the Spanish Chamber of Commerce in Vietnam a Share&Learn seminar on cultural awareness for business in Vietnam. More information with the video recording from the seminar, can be found in this report.

I hope you will enjoy reading our report, and if you have any further questions, do not hesitate and email us at office@ceecvn.org. We will get back to you as soon as possible.



Marko Moric
CEEC Chairman

CEEC ANNUAL GENERAL MEETING 2023 AND NEW BOARD INTRODUCTION



02

March 7th 2023, CEEC successfully organized the Annual General Meeting, with the participation of our current Board members, Members and the Trade Counsellors of CEE countries. During the meeting, our Board members took turns to present CEEC's activities in the year 2022, budget for 2023 and also the strategy and goals for upcoming 3 years.

In addition, three of our Board members have stepped down from the Board:

- Christoph Schill (already left in December 2022)
- Csaba Bundik
- Ben Mandjak

CEEC thanked them for their commitment, service, passion and hard work in helping build a strong and prosperous Central and Eastern European Chamber of Commerce in Vietnam.

Special appreciation went to Csaba Bundik, who initiated the establishment of CEEC and Christoph Schill who joined this initiative. Both of them were extremely important figures in CEEC. They put a lot of time, commitment and heart into the development of the chamber and they will have a special place in CEEC.

While Csaba Bundik stepped down as vice-chairman, he will continue to be an active part of CEEC community, and we look forward to see him around. Thank you, Csaba!

Two Board Members (Marko Moric and Lukasz Kozlowski) have been re-elected, and we're extremely happy to welcome three new Board members – Miklos Krassovics, Gabriel Stanek and Peter Ngo.



CEEC BOARD MEMBERS 2023



- Marko Moric
- Vlad Savin
- Minh Hai Nguyen
- Florian Beranek
- Lukasz Kozlowski
- Tsvyatko Kabahchiyski
- Gabriel Stanek
- Miklos Krassovics
- Peter Ngo

The short resume of each of our Board Member can be found [HERE](#).

Special thanks to all Members and to Mr Dietmar Schwank – Trade Counsellor of Austria, Mr Tsvetan Aleksov – Trade Counsellor of Bulgaria and Mr Alexander Nowakowski – Trade Counsellor of Poland for joining our Annual General Meeting 2023.



CEEC MET WITH THE DELEGATION FROM KAZAKHSTAN



On Wednesday, 15 March 2023, CEEC had a meeting with a delegation from the Ministry of Trade and Integration of Kazakhstan, and KPMG Kazakhstan.

CEEC Chairman, Marko Moric, introduced the chamber and its activity, membership and services. The meeting aimed to strengthen economic ties and explore new opportunities for trade and investment. Representatives discussed investment climate, trade policies, and potential areas for collaboration.





CEEC ATTENDED THE HUNGARIAN NATIONAL DAY CELEBRATION

A delegation from CEEC attended the Hungarian National Day celebration in Hanoi, 14 March 2023, with Chairman Marko Moric and Treasurer Minh Nguyen. On 15th March Hungarians commemorate the Revolution and the following War of Independence against the Austrian-Hapsburg rule in 1848 – 1849.

It was an honor to meet Miklos Krassovics - New Board Member of CEEC and General Director of Gedeon Richter Vietnam, Attila Molnár - General Manager at Egis Pharmaceuticals Vietnam Ltd. and HE Le Thi Thu Hang - Deputy Minister of Foreign Affairs of Vietnam in attendance.

CEEC BOARD MEMBERS & MEMBERS JOINED EUROCHAM AGM 2023

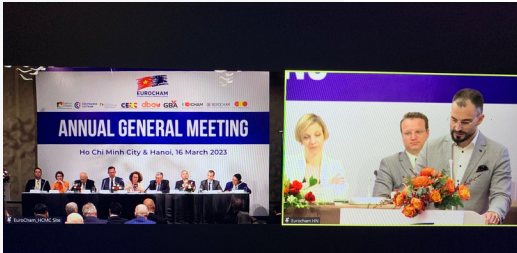


On 16 March 2023, EuroCham Vietnam AGM 2023 took place, where, apart from the report on activities, financial statements and the election of a new board, short speeches were delivered by the Chairmen of the Business Associations.

CEEC Chairman, Marko Moric, focused on presenting CEEC's strategic goals until 2025, which looks at increasing the benefits for our stakeholders in two ways: by developing strong relationships with Vietnamese companies and local business community to promote outbound investments in the CEE region, offering them a practical value add and key contacts in the region. Secondly, after Covid-19 we observed a growing commercial interest from the CEE region towards Vietnam. To meet this demand CEEC will allocate new operational resources to our executive team to be able to provide the market support and investor education at the highest standard. This include a new office in HCMC, new staff and more business activities throughout the year.

Cross border trading, technology, manufacturing are some of the key sectors relevant for CEEC community, and we plan to offer market entry packages to further educate investors about the opportunities and challenges in these sectors and others. Our mission in the next 3 years is to solidify our value add proposition, resources and market capabilities, and make CEEC the key support partner for Vietnamese companies and CEE investors alike.

Congratulations to the EuroCham's new Board of Directors and thank you to our members for participating!
We are proud to have Minh Nguyen representing the CEEC in the Board of Eurocham.



CEEC BOARD MEMBER SPOKEN AT VITV'S SEMINAR ON SUPPORTING VIETNAMESE BUSINESSES



On 28th March 2023, Mr. Minh Nguyen, a CEEC Board Member and Vice Chairman EuroCham, spoke at VITV's seminar on supporting Vietnamese businesses. Experts from the Department of General Economics, the Department of Monetary Policy, the General Department of Vietnam Customs, the Vietnam International Arbitration Centre, and the Phu Thai Group were present at the event.

The seminar began with a discussion of the macroeconomic background, which presented opportunities and challenges for Vietnamese companies.

Aside from highlighting Vietnam's strong commitment to green growth, Mr. Minh also discussed how European companies are strong in green energy. As he pointed out, Vietnamese companies face both opportunities and challenges in this area.



CEEC WELCOMES NEW CORPORATE MEMBERS



CEEC is delighted to welcome 3 corporate members and one individual member from Latvia to its community.

Enterprise Estonia – the trade promotion office of the Republic of Estonia. Their activities contribute to achieving the long-term strategic goals of the Estonian economy and their further aim is to facilitate the process of Estonia becoming one of the most competitive countries in the world.



Farmak – leader in the production of medicines in Ukraine and a leading exporter of national products to the markets of 40 countries. Recently, the company opened its representative office in Vietnam.



Wagran – the company was established in 2007 in Łódź, Poland. The purpose of its establishing was to develop technology of kitchen sink production of granite composite. The main area of the activity of the company is the production of composite kitchen sinks.



For more details, please check their **profiles**.

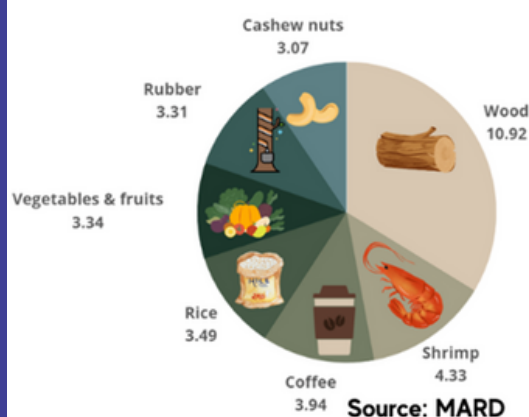
AGRICULTURE, FORESTRY AND FISHERY (AFF) EXPORT



Agro-forestry-fishery exports hit a new record in 2022

AFF Exports in 6 years (Billion USD)

Top 7 Export Categories Surpassed 3 Billion USD In 2022



Source: TTXVN, MARD

With agriculture, forestry, and fishery (AFF) exports value of more than \$53 billion, the sector has also helped Vietnam build an independent and self-reliant economy with active, intensive, and effective integration into the world, Prime Minister Pham Minh Chinh shared at a conference held by the Ministry of Agriculture and Rural Development (MARD) on January 13.

The sector set targets growth of 3% in 2023 and for AFF exports to reach \$54 billion. In order to achieve the set targets, the whole agriculture and rural sector continues to promote restructuring towards the development of modern, ecological agriculture, circular economy; focus on solving difficulties and obstacles, diseases; minimize the negative impact of the epidemic and market fluctuations to increase exports, make good use of opportunities from the EU-Vietnam Free Trade Agreements EVFTA, Comprehensive Partnership Agreement and Trans-Pacific Progress CTPPP for Vietnamese agricultural products.

ASEAN COUNTRIES' MARKET SHARE

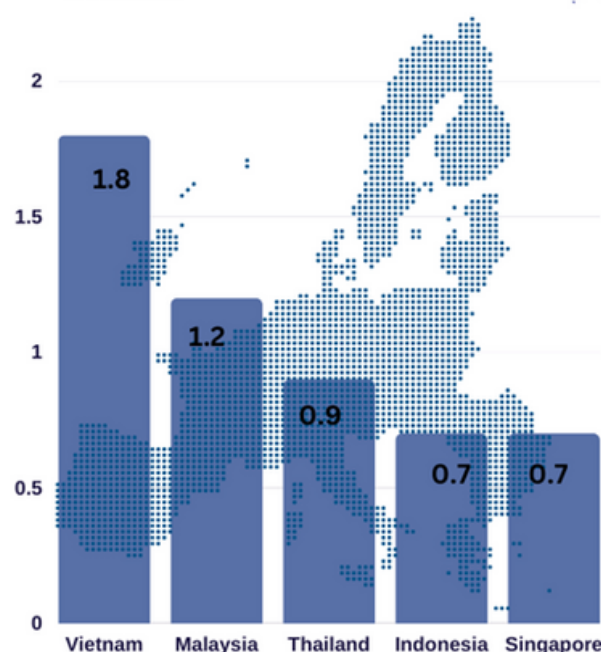
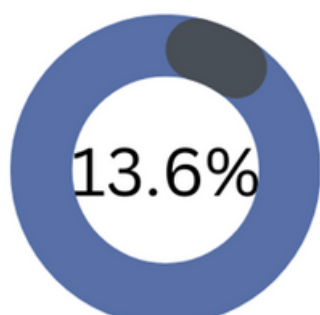


Monthly Infographic

Asean Countries' Market Share of Goods in EU's Imports in 2022



The EU is currently Vietnam's leading trade partner and third largest export market with an annual export growth rate of 7.5%, accounting for 13.6% of Vietnam's total export in the 2015-2021 period.



Source: Eurostat

Good news! Vietnam's exports to EU increase 5.1% in 2022

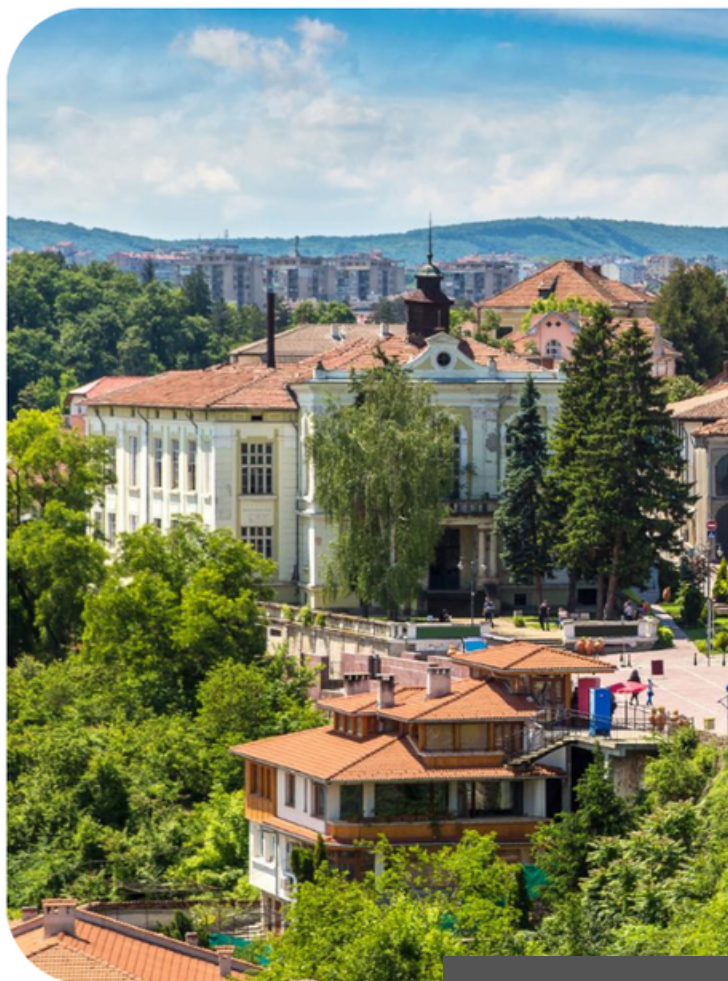
The trade turnover between Vietnam and the European Union (EU) reached 76.3 billion USD last year, a year-on-year increase of 5.1%, according to the European-American Market Department under the Ministry of Industry and Trade (MoIT).

Vietnam leads ASEAN members in EU's import market share, and EU is currently Vietnam's leading trade partner and third largest export market. For further details, please visit the link [HERE](#).





BULGARIA



BULGARIA'S ECONOMIC OUTLOOK FOR 2023: OPPORTUNITIES AND CHALLENGES

04

On 3 March, Bulgaria celebrated its National Liberation Day. The holiday commemorated the end of Ottoman rule in 1878, when the country regained its independence. Today the country is a full member of both the European Union (EU) and the North Atlantic Treaty Organization (NATO). These memberships are seen as a key element of Bulgaria's security and prosperity, as it allowed the country to cooperate with its European neighbors on matters of defense, trade, and diplomacy.

Bulgaria has a rich history and culture, which is reflected in its diverse architecture, cuisine, and music but here in Asia we know very little about this small European country with a population of 7 million people. Nowadays the country is considered as a major producer of agricultural products, such as wheat, corn, fruits and vegetables offering well-educated and skilled workforce, a stable currency, and a strategic geographic location that grants easy access to the European markets. Bulgaria also has strong potential for renewable energy sources, such as solar, wind, and geothermal, which could further boost the economy. Additionally, the low corporate tax rate makes it an attractive destination for foreign investors. With the right policies and investments, the potential of the Bulgarian economy remains strong.

What Opportunities in 2023 for Bulgaria?

Bulgaria's economy is expected to continue its positive growth, continuing the trend of the past few years with a GDP growth rate of around 3.5%. The economy is supported by strong service sector growth, along with a rise in manufacturing and tourism.

There are several opportunities for businesses and investors in Bulgaria in 2023, including:

Strategic location: Bulgaria is located at the crossroads of Europe, Asia, and the Middle East, which makes it an attractive destination for businesses looking to expand into new markets.

Skilled workforce: The country has a significant pool of highly skilled and educated workers in key industries, particularly in the fields of technology and engineering.

Low taxes: With one of the lowest tax rates in Europe, Bulgaria is an attractive destination for businesses looking to reduce their operating costs. The flat tax rate is 10% for both personal and corporate income tax, which is significantly lower than the average tax rate in Europe.

Tourism: Beautiful coastline along the Black Sea, rich cultural heritage, incredible mountains. This presents opportunities for businesses in the tourism and hospitality industries.

Renewable energy: Significant potential for developing renewable energy sources, particularly wind and solar power. According to the Bulgarian Ministry of Energy, renewable energy sources accounted for around 19% of the country's total energy consumption in 2020. Wind energy is the most developed renewable energy source in Bulgaria, with a total installed capacity of over 1,000 MW. Solar power is also growing rapidly, with a total installed capacity of over 1,500 MW.

Agriculture: The agriculture sector accounts for around 6% of the country's gross domestic product (GDP) and provides employment for over 20% of the population. Bulgaria is one of the largest producers of wheat in Europe, with an annual production of around 5 million tons. The country is also a significant producer of corn, sunflower, grains, vegetables, fruits, wine and tobacco.

The Information and Communication Technology (ICT) sector: The Information and Communication Technology (ICT) sector in Bulgaria has grown significantly over the past decade, becoming an important part of the country's economy. It is estimated that ICT contributes around 6.5% of Bulgaria's gross domestic product (GDP) and employs around 100,000 people generating around EUR 1.4 billion in annual revenue. The Bulgarian government has implemented various policies to help the ICT sector grow, including tax incentives, grants, and training programs. In recent years, we have seen rapid growth in this sector due to the influx of new technology, increased economic stability, and the emergence of new business opportunities. By 2023, it is expected that the ICT will contribute around 7% of Bulgaria's GDP and employ around 120,000 people.

Start-up visa programs: In October 2022, Bulgaria introduced the so-called "Start-up visas" available to non-EU entrepreneurs who want to set up a business in the country.

There are several other countries in Europe that offer startup visas or similar programs for entrepreneurs. These programs are designed to encourage innovation, create jobs, and promote economic growth. If you are an entrepreneur interested in starting a business in Bulgaria and more specifically in hi-tech and/or innovative business projects, you can research the startup visa programs offered by The Bulgarian Investment Agency (BIA) - the institution responsible for processing the applications.

Challenges in 2023

Despite some economic progress in recent years, one of the biggest challenges for the Bulgarian government is the population decline due to a low birth rate and emigration. In January 2023 the authorities introduced new measures such as free public transportation and free handbooks for students with the hope to create more favorable conditions for parents and boost the birth rates.

The infrastructure is not as developed as some other EU countries, particularly in rural areas. However, the country has made significant investments in recent years, particularly in its transportation network by building main roads and high-ways connecting Bulgaria with the neighboring countries (Greece, Romania, Serbia and Turkey).

Bulgaria's main trading partners are the European Union, which accounts for around two-thirds of its trade, followed by Turkey and Russia but its economy is very much influenced by developments in the EU and global markets.

Bulgaria and Vietnam

Bulgaria and Vietnam may be geographically distant, they have been able to maintain a positive and mutually beneficial relationship. The two countries have established diplomatic relations since 1950, and have signed several agreements in various fields, including politics, economy, culture, and education. The two countries have a long history of cooperation in education, with many Vietnamese students studying in Bulgarian universities.

In terms of trade, there are several agreements entered into force for cooperation and partnership in various sectors but the most important one remains EU-Vietnam Free Trade Agreement (EVFTA). The agreement aims to boost trade and investment between all countries members of the European Union and Vietnam by removing tariffs and other barriers to trade in goods and services, as well as promoting sustainable development and human rights. Under the EVFTA, the EU will eliminate tariffs on almost all goods imported from Vietnam over a 10-year period, with some exceptions for sensitive products such as rice and textiles. Vietnam on its side will eliminate tariffs on 71% of EU goods upon the entry into force of the agreement, with the remaining tariffs phased out over a period of up to 10 years. The agreement also includes provisions on intellectual property, public procurement, investment protection, and sustainable development. It sets high standards for labor rights and environmental protection, and includes a mechanism for dispute settlement. The EVFTA has been hailed as a significant step forward in EU-Vietnam relations, and is expected to boost bilateral trade and investment.

Bulgaria maintains a diplomatic presence in Vietnam through its embassy in Hanoi. The embassy is responsible for promoting bilateral relations between the two countries and providing consular services to Bulgarian citizens in Vietnam. In addition to the embassy, Bulgaria is one of the countries covered by The Central and Eastern European Chamber in Vietnam (CEEC Vietnam) network.

If you are interested to know more about Bulgaria, please do not hesitate to reach out to us.

Sources: IBA, manager.bg, investor.bg, EY, Ministry of Energy of Republic of Bulgaria, sciencebusiness.net, CEEC Vietnam and other related press articles.

Author and contact point: Tsvyatko Kabahchiyski - CEEC Board Member



Announcement on continuation of partnership with Gebrüder Weiss

We are very pleased to announce that Gebrüder Weiss continues to be CEEC's Silver Corporate Partner for 2023.

Gebrüder Weiss is the partner for full-service logistics solutions – from Europe to Asia, and all over the world. With over 8000 employees worldwide, 180 company-owned locations and an annual turnover of 2.5 billion euros (preliminary 2021), Gebrüder Weiss ranks among Europe's leading transport and logistics companies. In Vietnam, Gebrüder Weiss have 2 branches in Ho Chi Minh and Ha Noi .

We are pleased to announce our corporate partnership with Gebrüder Weiss, and we hope to further collaborate with each other in different aspects. Our partnership will help Gebrüder Weiss connect with our CEE community and Vietnamese friends. The goal is to help both parties build a strong relationship and network and create many growth and learning opportunities through our events and CEEC Communication Channels.

CEEC would like to present its sincere thanks to Gebrüder Weiss for their confidence into the operation and development of the Chamber. We will deliver, as always, our best services as your Chamber and performing a great supporting role as your Partner.

More information about the company can be found **here**.

**CEEC
CORPORATE
PARTNER**

CULTURAL AWARENESS: Business communication in Vietnam with public and private sector - practical advice for international enterprises

06



On 14 February 2023, CEEC had jointly hosted with the Spanish Chamber of Commerce in Vietnam (SCCV) a seminar on cultural awareness: Business communication in Vietnam with public and private sector - practical advice for international enterprises. The event was held in W Business Center - flexible office space provider and event venue partner of CEEC.

The seminar covered a wide range of topics including Vietnamese language, culture and communication, negotiation, gender diversity and more.

As Vietnam continues to attract foreign investment, it is crucial for companies to be culturally aware and sensitive to the customs, traditions and communication styles of the Vietnamese people. This seminar aimed to provide practical tips and advice for foreign companies to better navigate the business landscape in Vietnam.

The panel discussion was led by experts in the field who shared their experiences and knowledge. They discussed various challenges that foreign companies may face when doing business in Vietnam, including language barriers, cultural differences and negotiation styles.

In addition, the seminar highlighted the importance of gender diversity in the workplace and how it plays a significant role in the Vietnamese business culture.

We invite you to **watch the video** and join us in exploring the various aspects of doing business in Vietnam from a cultural perspective.

UPCOMING EVENTS

**Networking event
"CEEC & SCCV
Members Connection"
18 April 2023,
HCMC**



**Partner's event
WORLD CLEAN ENERGY
6 April 2023,
HCMC**



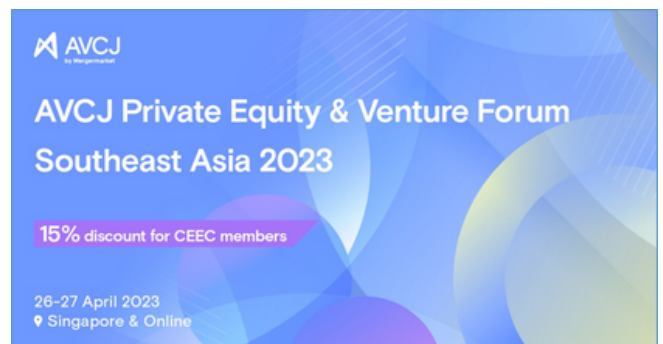
**Co-host:
Hai Phong targets double
growth in 2023
14 April 2023,
Hai Phong**



**Partner's event
Mergermarket M&A Forum
25 April,
HCMC**



**Partner's event
AVCJ Private Equity
& Venture Forum
26-27 April,
HCMC**



Discover the key regional insights in our latest Investing in CEE: Inbound M&A report 2022/2023.

Read more

07

CEE: Inbound M&A report 2022/2023

The start of the year 2022 heralded the beginning of a turbulent year for both European and global markets, as the conflict between Russia and Ukraine began on 24 February. Trends that were already in play in 2021, rising inflation and higher borrowing costs, were greatly amplified. The war unleashed supply shocks, notably in the wholesale gas market.

Meanwhile, the imposition of economic sanctions against Russia further complicated the deal making landscape. Against this backdrop, supply-chain bottlenecks and labour shortages, a legacy of the pandemic, continued to dampen growth.

Deal-making conditions could scarcely have been more challenging. Yet, as our report reveals, the impact on M&A activity in the CEE region was much less pronounced than many initially feared. In fact – and with the exception of 2021, a somewhat anomalous record-year for M&A – deal volumes and aggregate deal value in 2022 both reached new highs in CEE.”

Mazars has recently released the business studies “Investing in CEE: Inbound M&A report 2022/2023”, which offers an overview of M&A activity in the region in 2022 and looks ahead to the challenges and opportunities in the coming months. The whole report can be found [HERE](#).

MEMBERS
NEWS

CEEC MEMBERS 2023

