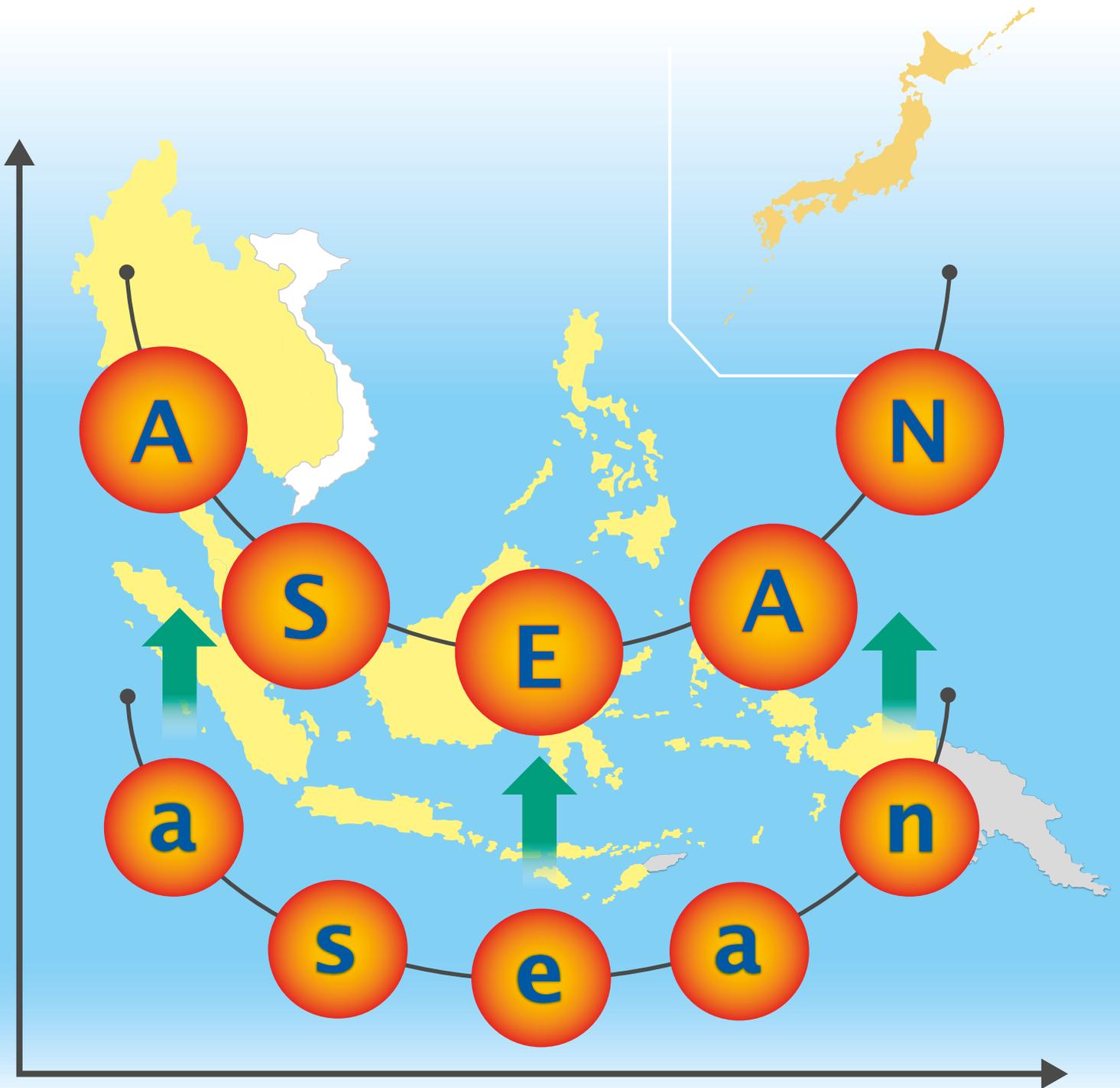


Global Value Chains in ASEAN

Viet Nam

PAPER 11

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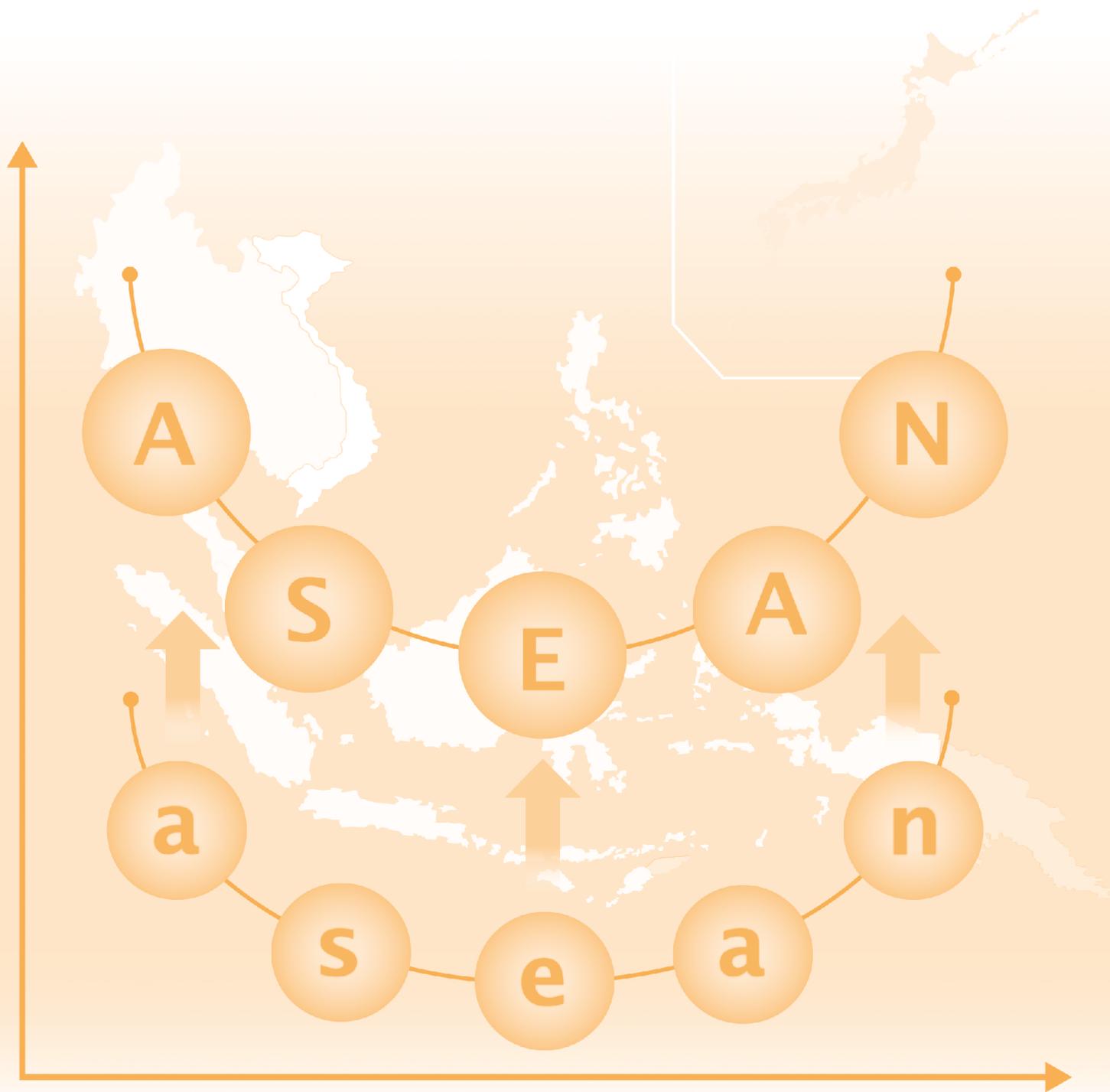
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NOTES

The terms “country” and “economy” as used in this study also refer, as appropriate, to territories or areas. The designations employed and the presentation of the material do not imply the expression of any opinion whatsoever on the part of the ASEAN-Japan Centre concerning the legal status of any country, territory, city, or area or of the authorities, or delimitations of frontiers or boundaries.

The following symbols have been used in the tables:

- Two dots (..) indicate that data are not available or are not separately reported.
- A dash (–) indicates that the item is equal to zero or its value is negligible.
- Use of a dash (–) between dates representing years, e.g., 2015–2016, signifies the full period involved, including the beginning and end years.
- Reference to “dollars” (\$) means United States dollars, unless otherwise indicated.

List of papers under the project on global value chains in ASEAN by the ASEAN-Japan Centre

The current paper is the 11th of a series of 16 papers on ASEAN GVCs. The other 15 papers have been published or are forthcoming.

Paper 1. A Regional Perspective (first published in September 2017; revised in January 2019)

Paper 2. Brunei Darussalam (published in February 2018)

Paper 3. Cambodia (published in March 2019)

Paper 4. Indonesia

Paper 5. Lao People’s Democratic Republic

Paper 6. Malaysia

Paper 7. Myanmar

Paper 8. Philippines (published in July 2017)

Paper 9. Singapore (published in August 2018)

Paper 10. Thailand (published in March 2019)

Paper 11. Viet Nam

Paper 12. Automobiles (published in January 2020)

Paper 13. Electronics

Paper 14. Textiles and clothing (published in March 2020)

Paper 15. Agribusiness (published in March 2020)

Paper 16. Tourism (published in March 2018)

Prepared by Minh Phuc Nguyen (Foreign Trade University, Viet Nam) and Masataka Fujita (ASEAN-Japan Centre). The authors wish to thank staff members of the AJC for their comments. The manuscript was edited by Lise Lingo and typeset by Laurence Duchemin. Errors and omissions are only those of the authors and should not be attributed to their respective organization.

KEY MESSAGES

- Since the 1986 launch of economic reform under Doi Moi, Viet Nam – then one of the poorest nations in the world – has become a market-based economy that attracts massive foreign direct investment (FDI) and achieves remarkable GDP growth.
- The effects of FDI depend on the value added structure of the Vietnamese economy, in which the secondary sector (manufacturing), in particular the foods, beverages and tobacco industry, exhibits a large multiplier effect.
- Although the gross exports of Viet Nam are growing, the contribution of domestic value added (DVA) exports to the national economy is small. The remarkable growth of FDI, in particular export-processing FDI, in Viet Nam means that the country has become a favoured destination for export-processing production. However, the large difference between exports in the balance of payments and value added exports indicates that the value added embodied in export products is rather small.
- The share of foreign value added (FVA) in the exports of various industries in the secondary (or manufacturing) sector is higher than that of the industry average, while most of the industries in the other sectors (primary and tertiary), except construction, have a lower share of FVA. This means that the manufacturing sector uses global value chains (GVCs) much more extensively than do the primary and the services sectors.
- During a period of nearly three decades (1990-2019), the share of foreign countries' contribution to value added exports from Viet Nam fluctuated from 23 to 42 per cent before stabilizing at 32-33 per cent. In that time, ASEAN members, the Republic of Korea and China have become important intermediate exporters to ASEAN as a whole and, together with Japan, they participate critically in Viet Nam's gross exports.
- The change in the GVC participation rate of Viet Nam has been mostly caused by the upstream part, which has also been the dominant part since 1990. Although the country has become more involved in international production networks, its participation in the regional value chains (RVCs) created within ASEAN has not been as strong as the average for other ASEAN member states.
- There is a relationship between the increase in FDI and the growth of Viet Nam's participation in GVCs, and both of these create benefits for the economy. GVC participation resulting from increased FDI provides more opportunities for economic growth.
- In order to realize this growth, Viet Nam should improve its legal framework and administrative procedures to help the domestic sector tackle its current challenges, keep track of the economic reforms under Doi Moi to attract FDI, and promote the development of high-tech, modern infrastructure.

Since the 1986 launch of the economic reform under Doi Moi, Viet Nam – then one of the poorest nations in the world – has transformed itself into a market-based economy ...

Since the reunification of the country in 1975, Viet Nam's economy has entered a period of peaceful development. Since then, the change of the economy can be divided into two main stages: (1) the centrally planned economy from 1975 to 1985; and (2) the economic reform towards a market-led economy from 1986 onward.

In the decade after the civil war, economic development fell far behind the expectations held for it under the centrally planned economy. Although heavy industrial development was the top priority, the level of industrialization after 10 years remained unchanged. At this stage, a backward agricultural sector with low productivity was the reason for persistent outbreaks of famine, even though thousands of tons of food were imported annually. Besides other negative results, trade deficits – when export turnover covered only one third of imports – and rampant inflation were recorded. The poor economic performance in the period from 1975 to 1985 led to the urgent need for economic reform.

The launch of the economic reform in December 1986 marked a significant turning point in transforming Viet Nam's economy into an open, market-oriented and globally integrated model. The purposes of the reform included eliminating the state subsidy mechanism; diversifying ownership of public-owned properties; encouraging and stimulating the development of organizations, individuals and the private sector; enacting policies to promote the regional and global integration of the economy; promoting foreign trade and attracting foreign direct investment (FDI); combining administrative reform with economic policy reform; strengthening state management and macroeconomic regulation; and combining economic growth with social development in general to stabilize the political situation and maintain socialist goals.

Since the economic reform, Viet Nam has become more and more globally integrated, achieving the following milestones:

- On 28 July 1995, Viet Nam joined ASEAN as the seventh member.
- On 11 January 2007, Viet Nam became the 150th member of World Trade Organization (WTO).
- At the end of 2015, ASEAN Economic Community was established according to the agreement among ASEAN countries including Viet Nam.
- As of today, Viet Nam has been involved in 26 free trade agreements (FTAs): 11 signed and in effect, 1 signed but not yet in effect, 4 in negotiation, 9 proposed or under consultation and study, and 1 discontinued.

... that attracts massive FDI and achieves remarkable GDP growth.

Economic reforms under Doi Moi have brought positive impacts and critically contributed to the success of Viet Nam's economy in terms of FDI and GDP since its launch in 1986. After more than three decades, the FDI inward stock in Viet Nam had increased from less than \$41 million to more than \$145 billion (in 2018).¹ The most attractive industries include manufacturing-processing industries, electricity production and distribution, and real estate. Among the 120 nations and

¹ UNCTAD, *World Investment Report 2019*, Annex Tables.

territories having investment activities in Viet Nam, the top three investors are Japan, the Republic of Korea and Singapore. Although the economy was strongly affected by the regional financial and monetary crisis in 1997 and the global financial crisis in the period of 2007-2008, both of which were the reasons for the decrease in GDP growth rate in the years that followed, Viet Nam has remained one of the fastest-growing economies in the Asia-Pacific region since the beginning of 1990s. In 2016, its GDP was more than \$200 billion, forty times as great as in 1986.²

According to the World Economic Forum's 2017-2018 Global Competitiveness Report, Viet Nam ranked 55th, and 6th among ASEAN members. In the World Bank's Ease of Doing Business Index benchmarked to May 2018, Viet Nam ranked 69th, and 5th in ASEAN. The economic achievements of Viet Nam under Doi Moi have been the results of economic liberalization, trade- and investment-facilitating policies, and the stabilization of the social and political environment.

Box 1. GVC terminology used in the AJC paper series

A country's exports can be divided into domestically produced value added and imported (foreign) value added that is incorporated into the country's exported goods and services. Furthermore, exports can go to a foreign market either for final consumption or as intermediate inputs to be exported again to third countries (or back to the original country). The analysis of GVCs takes into account both foreign value added in exports (the upstream perspective) and exported value added incorporated in third-country exports (the downstream perspective). The indicators used in this paper as well as the other 15 papers in this series are as follows:

1. **Foreign value added (FVA):** FVA indicates what part of a country's gross exports consists of inputs that have been produced in other countries. The FVA share is the share of the country's exports that do not add to its GDP.
2. **Domestic value added (DVA):** DVA is the part of exports created in-country, i.e. the part of exports that contributes to GDP. The sum of foreign and domestic value added equates to gross exports. DVA can be put in relation to other variables:
 - As a share of GDP, it measures the extent to which trade contributes to the GDP of a country.
 - As a share of global value added trade (the "slice of the value added trade pie") it can be compared with a country's share in global gross exports (relative value capture from trade).
3. **Value added incorporated in other countries' exports (DVX):** This indicates the extent to which a country's exports are used as inputs to exports from other countries. At the global level, the sum of this value and the sum of FVA are the same.
4. **GVC participation** indicates the share of a country's exports that is part of a multistage trade process, by adding to the FVA used in a country's own exports the value added that is supplied to other countries' exports. Although the degree to which exports are used by other countries for further export generation may appear less relevant for policymakers, as it does not change the DVA contribution of trade, the participation rate is a useful indicator for the extent to which a country's exports are integrated in international production networks.

.../

² UNCTADStat (www.unctadstat.unctad.org).

Box 1. GVC terminology used in the AJC paper series (Concluded)

The GVC participation corrects the limitation of the foreign and domestic value added indicators, in which countries at the beginning of the value chain (e.g. exporters of raw materials) by definition have a low foreign value added content of exports. It gives a more complete picture of the involvement of countries in GVCs, both upstream and downstream.

GVC indicators can also be used to assess the extent to which industries rely on internationally integrated production networks. A number of complex methods have been devised in the literature to measure GVC length; however, the degree of double counting in industries, conceptually, can serve as a rough proxy for the length of GVCs. Data on value added trade by industry can provide useful indications on the comparative advantages and competitiveness of countries, and hence form a basis for development strategies and policies.

Source: Adapted from UNCTAD (2013).

The effects of FDI depend on the value added structure of the Vietnamese economy, ...

In the industry structure of Viet Nam, manufacturing takes the lead in output, followed closely by services. The input-output table reported by the Organization for Economic Cooperation and Development (OECD) shows that the manufacturing sector accounted for 50 per cent of industry output in 2015 (the most recent data available), followed by the service sector with 32 per cent and the primary sector with 19 per cent (table 1). Regarding value added, the contribution of the services sector is dominant at 45 per cent in comparison to 33 per cent from the primary sector and 22 per cent from manufacturing (see table 1).

Because of the manufacturing sector's high output value but low value added, its ratios of value added to output (0.20) are not only the lowest but also quite distant from the ratios in the other sectors. The ratios of value added to output in individual manufacturing industries are lower than 0.3; those for woods and wood products, as well as coke, refined petroleum products and nuclear fuel are the lowest at 0.11-0.12. The services sector has a much higher ratio at 0.44 because of the lower utilization of intermediate materials, which makes the added value closer to the output. The primary sector tends to be the most productive because it includes the industry with the highest added value and output, and the industry with the highest ratio of value added to output. Agriculture, forestry and fishing is the largest industry, with an output of nearly \$74 billion and value added of \$26 billion, which emphasizes the crucial role of the agricultural sector in the national economy. This also presents the fact that Viet Nam ranked at the top of global producers and exporters of such primary products as rice, coffee, cashews, pepper and fishery products. Mining and quarrying is the industry with the highest ratio of value added to output, at 0.4.

The situation of the manufacturing sector, at the lowest value added with the highest output, demonstrates the urgent requirement for policymakers to think about how to leverage the productivity level in this sector. Improvements in productivity in this sector come from the following critical factors: technological development and innovation; infrastructure development; increases in the contribution and production capacities of micro, small, and medium sized enterprises (MSMEs); greater focus of FDI into prioritized industries; and involvement in and upgrading within GVCs.

Table 1. Value added and output of Viet Nam, by industry, 2015 (Millions of dollars and per cent)

Industry	Value added at basic prices (US\$)	Output at basic prices (US\$)	Value added structure (share of total) (%)	Output structure (share of total) (%)	Ratio of value added to output
Primary	39 270	105 618	22.4	18.5	0.37
Agriculture, forestry and fishing	26 049	74 484	14.8	13.1	0.35
Mining and extraction of energy producing products	10 589	25 107	6.0	4.4	0.42
Mining and quarrying of non-energy producing products	2 055	4 955	1.2	0.9	0.41
Mining support service activities	576	1 072	0.3	0.2	0.54
Secondary	57 646	285 066	32.8	50.0	0.20
Food products, beverages and tobacco	9 022	70 774	5.1	12.4	0.13
Textiles, wearing apparel, leather and related products	15 350	52 397	8.7	9.2	0.29
Wood and products of wood and cork (except furniture)	720	6 791	0.4	1.2	0.11
Paper products and printing	1 405	7 138	0.8	1.3	0.20
Coke and refined petroleum products	1 883	15 097	1.1	2.6	0.12
Chemicals and pharmaceutical products	3 060	14 160	1.7	2.5	0.22
Rubber and plastics products	2 380	11 978	1.4	2.1	0.20
Other non-metallic mineral products	2 891	9 715	1.6	1.7	0.30
Manufacture of basic metals	2 234	10 369	1.3	1.8	0.22
Fabricated metal products, except machinery and equipment	2 421	12 089	1.4	2.1	0.20
Computer, electronic and optical products	3 817	16 287	2.2	2.9	0.23
Electrical equipment	3 331	15 741	1.9	2.8	0.21
Machinery and equipment n.e.c.	1 388	7 968	0.8	1.4	0.17
Motor vehicles, trailers and semi-trailers	2 271	10 610	1.3	1.9	0.21
Other transport equipment	891	4 470	0.5	0.8	0.20
Other manufacturing; repair and installation of machinery and equipment	4 581	19 482	2.6	3.4	0.24
Tertiary	78 777	179 377	44.8	31.5	0.44
Electricity, gas, water supply, sewerage, waste and remediation services	5 624	12 531	3.2	2.2	0.45
Construction	9 752	36 623	5.6	6.4	0.27
Wholesale and retail trade; repair of motor vehicles	15 445	28 630	8.8	5.0	0.54
Transportation and storage	6 453	19 802	3.7	3.5	0.33
Accommodation and food services	4 449	13 124	2.5	2.3	0.34
Publishing, audiovisual and broadcasting activities	395	1 169	0.2	0.2	0.34
Telecommunication	1 753	5 998	1.0	1.1	0.29
IT and other information services	903	1 578	0.5	0.3	0.57
Financial and insurance activities	7 106	13 804	4.0	2.4	0.51
Real estate activities	7 354	10 989	4.2	1.9	0.67
Other business sector services	4 012	7 866	2.3	1.4	0.51
Public administration and defence; compulsory social security	4 546	7 531	2.6	1.3	0.60
Education	6 163	8 982	3.5	1.6	0.69
Human health and social work	1 919	4 932	1.1	0.9	0.39
Arts, entertainment, recreation and other service activities	2 735	5 650	1.6	1.0	0.48
Private households with employed persons	170	170	0.1	0.0	1.00
All industries	175 692	570 060	100.0	100.0	0.31

Source: OECD Input-Output Table (www.stats.oecd.org).

Note: n.e.c. = not elsewhere classified.

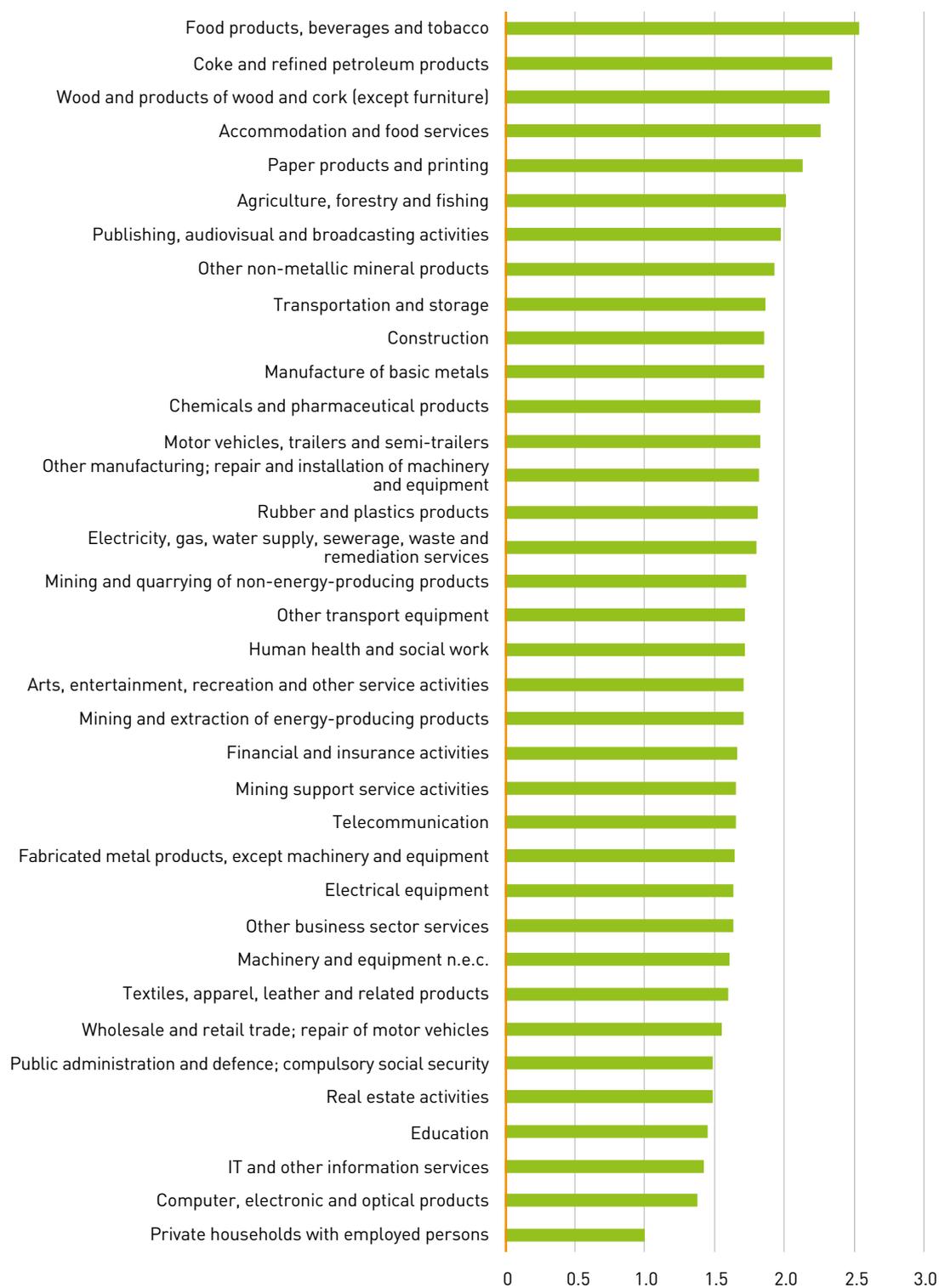
... in which the secondary sector (manufacturing) – in particular food products, beverages and tobacco – exhibits a larger multiplier effect.

Vietnamese enterprises can participate in any value chain created by foreign transnational corporations (TNCs). It is strategically important to be involved in those industries that have large linkage or multiplier effects. Two industries have multiplier effects greater than two (i.e. one unit of output in a particular industry leads to a total of increase in the economy of more than two units): food products, beverages and tobacco, and textiles, textile products, leather and footwear (figure 1). In general, the manufacturing sector dominates the top positions in the multiplier effects table. This implies that it can have larger impacts on other industries through their activities (i.e. investment) than other sectors. That can also be explained by the fact that value chains in the manufacturing sector are longer and broader than those in the primary and services sectors.

Involvement in GVCs should be easier to establish in manufacturing as a manufacturer can be involved in different supply chains and each supply chain can be built with both multi-tier suppliers (upstream) and multi-tier clients (downstream) before reaching the end-users. Each industry has its own characteristics and unique involvement in GVCs; therefore, the development of an industry can affect an economy through the multiplier (backward linkage) effects of that industry. In other words, generally speaking, in an entire production chain, the industry having more connections can create greater impacts. Thus, resources-based manufacturing industries show higher multiplier effects than does production in the primary sector (e.g. 2.0 for the primary production industries of agriculture, hunting, forestry and fishing in comparison with 2.5 for food products, beverages and tobacco or 2.3 for wood, products of wood and cork, both secondary manufacturing industries connected to primary resources (figure 1)).

As Viet Nam has developed from an agricultural economy towards a manufacturing-focused and services-oriented economy, three efforts are important for the country. First, is to promote the application of high technology in manufacturing so as to create more connections along the production chain, especially between primary and secondary manufacturing in agriculture. Second is to leverage the participation of services in the value chains established by primary and/or secondary manufacturing companies or other services' value chains. Third is to utilize better the vertical value chains that operate through the primary, secondary and even tertiary sectors to widely affect the whole economy, as is the case of the "sixth industry" typically represented by the accommodation and food services industry. As a combination of agriculture (primary), foods (secondary) and restaurant (tertiary), it exhibits a higher multiplier effect (2.3).

Figure 1. **Backward linkages of Viet Nam industries:**
which industry had the largest impact on the whole economy in 2015?
 (Increases in the whole economy due to one unit increase in output)



Source: OECD Input-Output Table (www.stats.oecd.org).

Although gross exports of Viet Nam are growing, the contribution of DVA exports to the national economy is small.

In the 1990-2019 period, Viet Nam's value added exports recorded 13-fold growth, from \$5 billion to \$69 billion (table 2). In particular, the growth in the years since 2015 has been dramatic. However, its value and growth is dwarfed by those of exports on customs-clearance base (that is, a BoP basis), which includes processing trade whose value does not belong to Viet Nam and is calculated by FoB (free on board) price. In the country's value creation process, DVA in exports is important as it constitutes the country's GDP. In 2019 the share of DVA in total value added exports was approximately 68 per cent (figure 2). This share is not small compared with other ASEAN countries; in fact, it is higher than the ASEAN average (64 per cent).³ This achievement is the result of policies and efforts to develop key primary manufacturing sectors, such as agriculture and fisheries, which tend to show a higher propensity to use local inputs rather than foreign inputs.

Although DVA grew approximately 12-fold from 1990 to 2019, it was relatively small compared with the 40-fold GDP growth in the same period. The reasons for that situation include the faster growth of FDI sectors in industries such as electronics in comparison with the development of key primary manufacturing industries. This is because the electrical equipment and electronics industries are relatively isolated from other industries, as shown by their small multiplier effect (see figure 1), and although they are export-oriented industries, they typically rely on foreign inputs and technology, which do not accrue to value added to the domestic economy. GDP measures only the added value created by domestic industries in production chains, excluding expenditures on intermediate goods and services from expenditures on final goods and services. Hence, the contribution of DVA exports to the national economy is not significant, and is also relatively low in comparison with the ASEAN average (12 per cent compared with 33 per cent).⁴

Table 2. Comparison of Viet Nam's value added exports (gross exports) and exports as reported in the balance of payments, 1990-2019 (Billions of dollars)

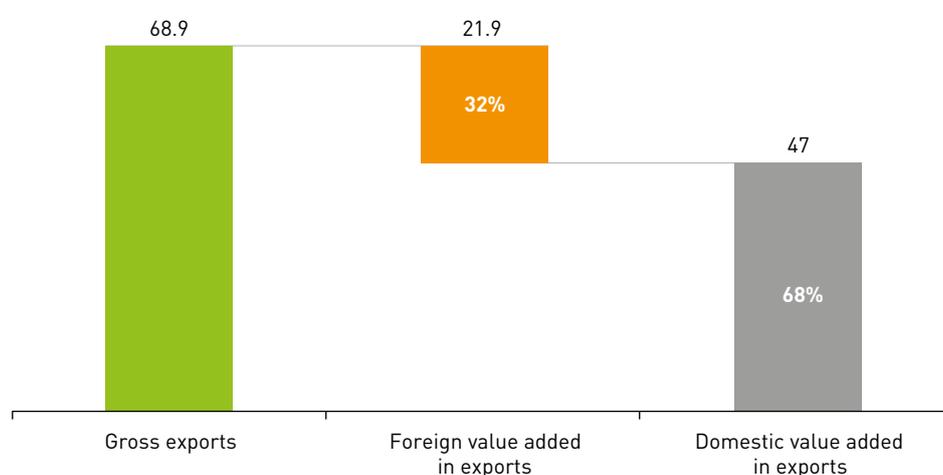
Year	Value added exports (gross exports)	Exports in BoP
1990	4.9	1.9
1995	8.3	7.3
2000	13.7	17.2
2005	21.4	36.7
2010	24.8	79.7
2015	30.3	173.3
2016	53.7	189.1
2017	54.1	228.2
2018	61.1	258.8
2019	68.9	..

Source: Value added exports from AJC-UNCTAD-Eora database on ASEAN GVCs; and exports in BoP from UNCTADstat (www.unctadstat.unctad.org).

³ ASEAN-Japan Centre, *Global Value Chains in ASEAN: A Regional Perspective*, Paper 1, January 2019.

⁴ Idem., p. 6.

Figure 2. Value added exports from Viet Nam, 2019 (Billions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

The remarkable growth of FDI in Viet Nam and the difference between exports in the balance of payments and value added exports mean that the country has become a favoured destination for export-processing production.

After three decades of economic reform, Viet Nam was among the top three ASEAN countries attracting the highest FDI inflows (approximately \$15.5 billion) and had about \$145 billion of FDI inward stock in 2018.⁵ Its participation in the WTO clearly showed its willingness to become a market-oriented economy and integrate into the global economy. This creates better opportunities for foreign investors to approach the business environment, with advantages such as investment-facilitated policies, a stabilized regime, favourable demographics, low labour costs, and geographic advantages. For that reason, FDI to Viet Nam witnessed significant growth – the so-called second wave of FDI – in comparison to previous years (for example, the country received nearly \$7 billion from foreign investors in 2007 compared with \$2.4 billion in 2006).⁶ FDI, therefore, played an important role in making Viet Nam an economy with GDP exceeding \$100 billion in 2009 and doubling that by 2017.

Exports in the BoP of Viet Nam accounted for more than \$259 billion in 2018 and were four times bigger than value added exports (table 2), of which the main contributors to export turnover were telephones of all kinds and their parts; textiles and sewing products; electronic goods, computers and their parts; footwear; fishery products; and wood and wooden products.⁷ The conventional measure of trade records total export value, which includes the value of imported intermediate goods (with change in ownership) for export processing,⁸ whereas trade flows measured in value added terms exclude the value of intermediate goods imported for assembly or further processing; hence,

⁵ UNCTAD, *World Investment Report 2019*, Annex Tables.

⁶ UNCTAD, *World Investment Report 2008*, Annex Tables.

⁷ General Statistics Office of Viet Nam, *Statistical Summary Book of Vietnam 2017, Trade and Tourism in 2017*.

⁸ See IMF, 2009, *Balance of Payment and International Investment Position Manual (BPM6)*, pp. 149-153.

the processing value is considered value added exports of the processing country.⁹ Consequently, the difference between exports in the BoP and the value added exports of Viet Nam comes largely from the value of intermediate goods imported for export processing.

These statistics illustrate that Viet Nam has become a favoured destination for export-processing manufacturing, especially in the electrical and electronic equipment industry, with the participation of Samsung Electronics (with more than \$17 billion of cumulative investment and approximately \$54 billion of export value – accounting for almost a quarter of Viet Nam’s total export in BoP – in 2017).¹⁰ The reasons for the huge gap between the two export statistics include the facts that (1) export processing in Viet Nam mainly concentrates on labour-intensive activities with low value added, and (2) domestic supporting industries have not been fully capable of supplying manufacturers in the export-oriented FDI sector.

The share of FVA by industry in exports from the secondary (or manufacturing) sector is higher than that of the industry average across all sectors, whereas most industries in the other sectors – other than construction – had a lower share of FVA exports.

In Viet Nam, manufacturing is not only the sector with the largest linkage effects with the economy (see figure 1) but also the most GVC-involved sector (figure 3). In 2017, the share of FVA in exports of the manufacturing sector was 47 per cent, double that of the service sector (24 per cent), approximately triple that of the primary sector (18 per cent), and 1.5 times higher than the average (33 per cent). Especially, all the industries reported in the manufacturing sector had higher foreign content than the average, of which the highest was metal and metal products at 62 per cent and the lowest was precision instruments at 34 per cent. However, the main contributors to value added exports of the manufacturing sector are the food, beverages and tobacco industries, and the textiles, clothing and leather industries, which accounted for 31 per cent and 27 per cent of the sector’s gross exports, respectively.

The foreign content in the primary sector is the lowest among the three sectors but much higher than the ASEAN average (18 per cent compared to 7 per cent). Agriculture, hunting, forestry and fishing – together, a key industry for exports – have highly developed value chains (with a share of FVA in exports at 27 per cent (see figure 3)) and also have large linkage effects within the economy (2.0 times (see figure 1)). In contrast, the 11 per cent share of foreign content in mining, quarrying and petroleum – the main industry for exportation, accounting for over half of the sector’s gross exports – keeps the average share of the primary sector at 18 per cent.

In the services sector, where the foreign share in value added exports is 24 per cent of the sector’s gross exports, four industries having higher shares of foreign content than the sector average. They are (1) construction at 49 per cent, (2) transport, storage and communication at 34 per cent, (3) health and social services at 32 per cent, and (4) travel agency and tour operator services at 27 per cent. Among these industries, transport, storage and communication has a significant impact on the sector’s average foreign share by contributing nearly one-fifth of the overall value added exports of the services sector.

⁹ IMF, 2014, *BPM6 Compilation Guide*, chapter 5 on international merchandise trade statistics and chapter 12 on manufacturing services on physical inputs owned by others.

¹⁰ Reuters, Samsung Electronics to expand production in Vietnam, 20 April 2018.

On the basis of share of FVA, most of the main industries for exportation (such as electrical and electronic equipment; rubber and plastic; wood and wooden products; and textiles, clothing and leather) are highly involved in GVCs. This statistic is compatible with the fact that export processing is a preferred type of FDI flow in Viet Nam. Nevertheless, although Viet Nam is the third largest exporter in ASEAN in terms of BoP (after Singapore and Thailand);¹¹ the economy ranks only sixth in both value added measures, including gross exports and DVA exports (Figure 7). The data underscore the weakness of supporting industries, which is considered an important emerging concern of Viet Nam's manufacturing sector.

In addition, the involvement of the manufacturing sector in GVCs is much higher than in other sectors but the industry average is not significant (see figure 3). This means the value added to exports is dominated by the primary and services sectors. Hence, the Vietnamese government should encourage domestic supporting industries to contribute higher added value to the manufacturing sector, especially export-oriented industries; and encourage investment in high-tech manufacturing so that export processing is capable of generating higher added value through participation in more sophisticated processes of GVCs.

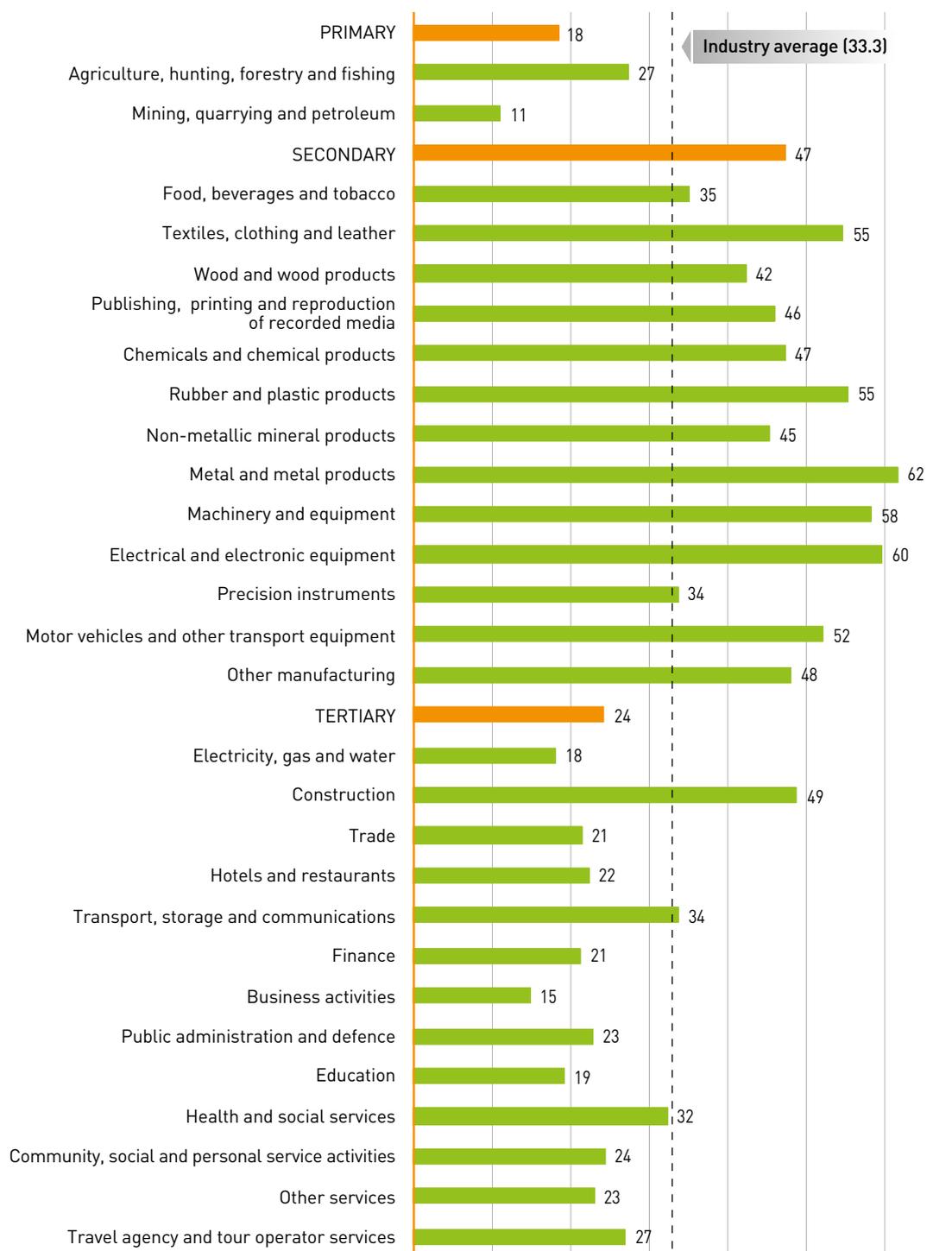
During a period of nearly three decades, the share of foreign countries' contribution to value added exports from Viet Nam fluctuated from 23 to 42 per cent before stabilizing at 32-33 per cent...

Over the past three decades, gross exports from Viet Nam witnessed different trends of development in terms of growth rate. The period from 1990 to 2005 can be considered one of "fast expansion" with an increase of about 1.6-1.7 times every five years. Then, in the "slow down" period from 2005 to 2015, each five-year term records a growth rate of less than 1.25 times. However, the five-year period from 2015 to 2019 shows a dramatic acceleration in the development speed with a doubling of the growth rate (see table 2 and Annex tables).

The involvement of Viet Nam in GVCs in these three decades has not been constant. In the first 15 years, the foreign share in gross exports fluctuated between 23 per cent and 30 per cent; interestingly, the general trend reversed after each five-year period (figure 4). From 2006 to 2019, as a result of the second wave of FDI into Viet Nam caused by the country's accession to the WTO, the share of foreign inputs in gross exports reached a peak of 42 per cent in 2010 and then decreased steadily to 32 per cent in 2016 before levelling off. Statistics for 2011 to 2019 show that the share of domestic content in exports follows the increasing trend of the whole of ASEAN, but the growth rate in Viet Nam is more significant than in the region. The reason for the recovery of the domestic share in gross exports is the increase of exports by the FDI sector, which contributes to national gross exports through export processing.

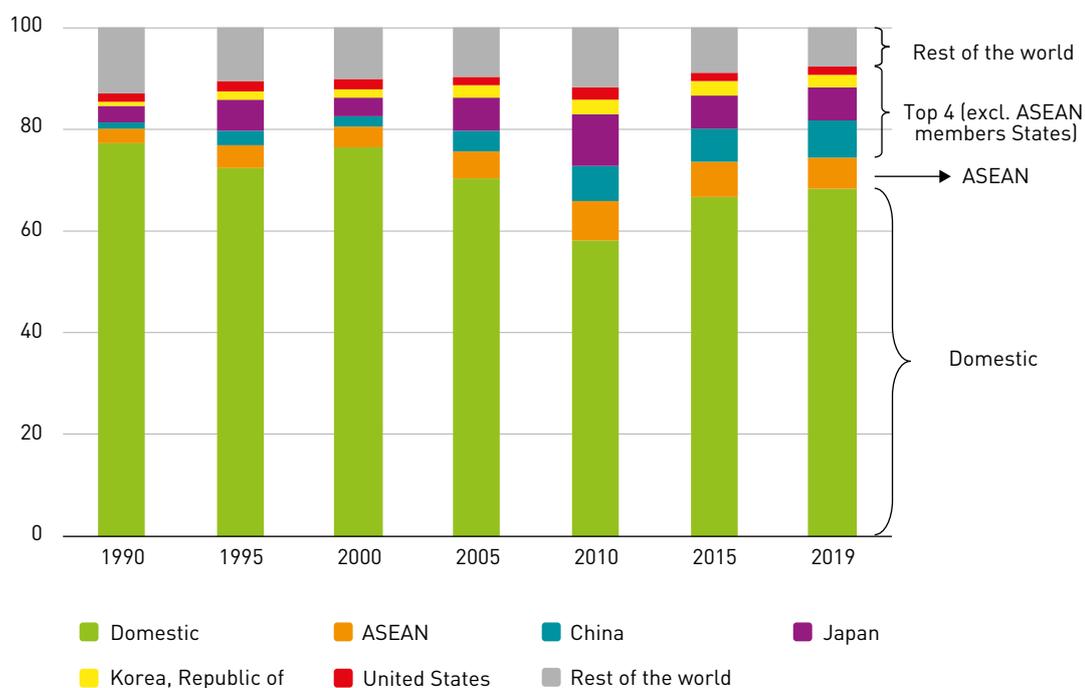
¹¹ UNCTAD Stat (www.unctadstat.unctad.org).

Figure 3. Share of foreign value added in exports from Viet Nam, by industry, 2017 (Per cent)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Figure 4. Value added exports from Viet Nam, by domestic, ASEAN and top four non-ASEAN foreign value added creators, 1990–2019 (Per cent of total gross exports)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

... By that time, ASEAN members, the Republic of Korea and China had become more important contributors to Viet Nam's value added exports, while Japan continued to occupy critically important positions in Viet Nam's GVCs.

Regarding the top creators of value added in value added exports from Viet Nam, there are some interesting observations. No European countries have appeared in the list of top contributors to Viet Nam's gross exports, although Germany has been identified as one of the top contributors to value added exports from ASEAN. The top creators of FVA, or intermediate exporters to ASEAN in 2019, were China, Japan, ASEAN, the Republic of Korea and the United States, in that order. Although inputs from China fluctuated from 1990 to 2000, the Chinese share rose dramatically as time passed, becoming the biggest by 2015. Japan and ASEAN have always played important roles in adding value to exports from Viet Nam. Their shares started as the largest ones in 1990 at 3 per cent each, then reached a peak in 2010 of 10 per cent and 8 per cent, respectively, before declining in 2019 to 6-7 per cent each. Korean inputs grew gradually from 1 per cent in 1990 and reached a peak of more than 3 per cent in 2010. In contrast to the general trend in ASEAN in which the importance of United States has been declining, the contribution of the United States to value added exports from Viet Nam has remained stable at 2 per cent over the three decades.

The evolution of the GVC participation rate of Viet Nam has been caused mostly by the upstream part, which has also been the dominant part since 1990...

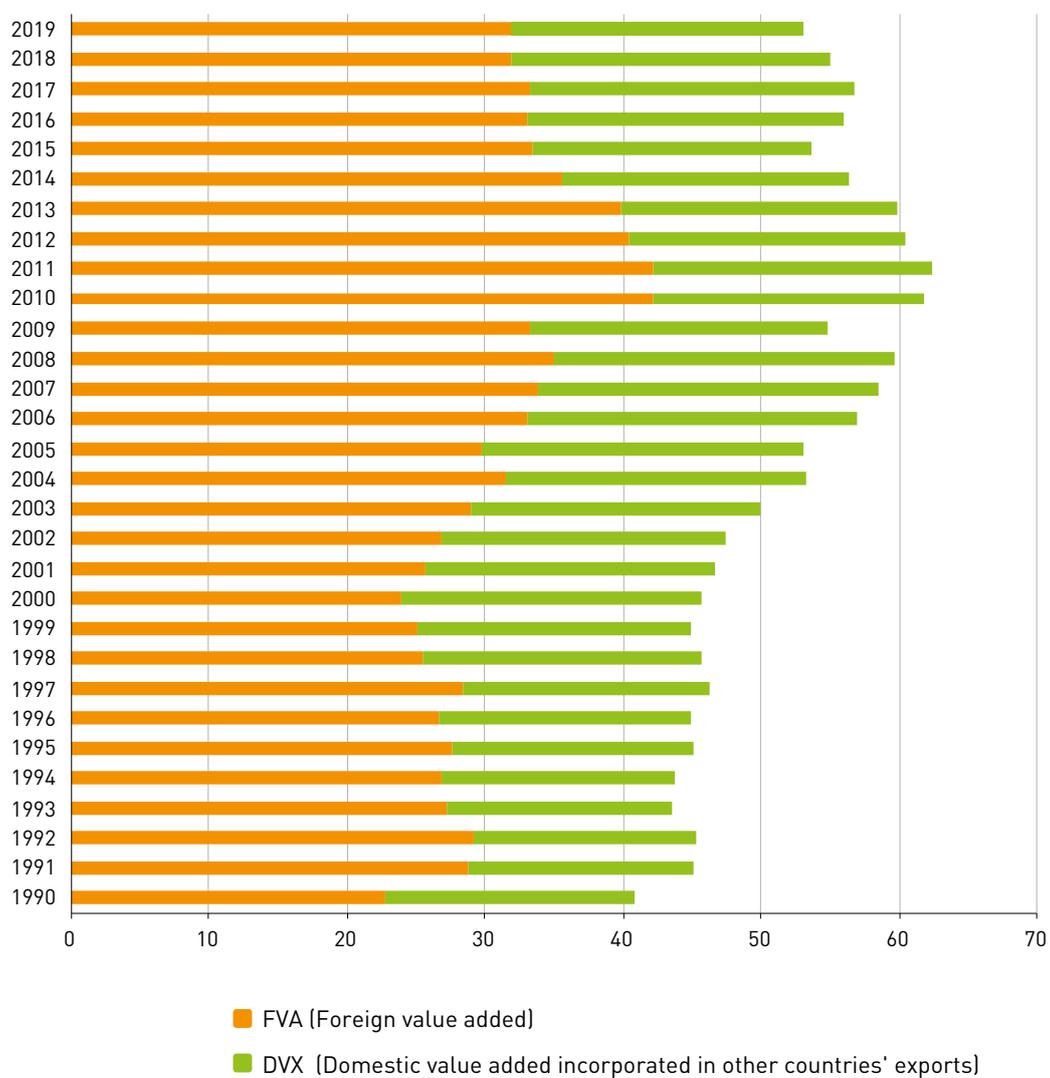
The GVC participation index explains a country's involvement in GVCs from both upstream (by FVA) and downstream (by DVX) (box 1). The higher the FVA share in gross exports and the higher the value of domestically produced intermediates to exports in third countries, the more integrated a country is in GVCs.¹²

The GVC participation of Viet Nam has fluctuated between 41 per cent and 62 per cent since 1990, mainly caused by changes in the backward part (figure 5). After reaching a peak of 62 per cent in 2011, the GVC participation rate has become lower, largely because of a lower FVA share as a result of more value added created within Viet Nam by both domestic firms and foreign-affiliated firms, with the latter being more prominent in producing high value added products. Investigating the participation in GVCs by industry in general shows that the secondary sector is the most globally integrated, followed by the primary and tertiary sectors. Specifically, textiles, clothing and leather, and mining, quarrying and petroleum are equally important, as the top two contributors to the GVC participation index for Viet Nam. However, the situation is expected to change because of Viet Nam's national development direction towards sustainability and its new focus on quality investment, not quantity. First, in the long-term vision, Viet Nam's exports would be less dependent on non-renewable resources such as minerals. Second, Viet Nam would like to attract more FDI in high-tech industries instead of labour-intensive ones. Manufacturing; agriculture and fisheries, logistics; maintenance, repair, and overhaul; and tourism have been identified as priority industries. Third, increasing the participation of Viet Nam in the global economy through FTAs, which are concluded among the largest ASEAN member states, facilitates trade between Viet Nam and international trade partners.

Viet Nam has aimed to raise the significance of the domestic sector in gross exports, in terms of creating more added value and more exporting for final demand. These initiatives have been changing GVC participation in Viet Nam; consequently, a downward trend has been witnessed in shares of FVA and DVX but not in DVA (see figure 5, table 3).

¹² De Backer, K. and S. Miroudot (2013).

Figure 5. GVC participation in Viet Nam, 1990–2019 (Per cent)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 3. Viet Nam's value added export structure, 1990–2019 (Millions of dollars and per cent)

Year	Gross exports		Domestic value added (DVA)		Foreign value added (FVA)		Domestic value added incorporated in other countries' exports (DVX)	
	(US\$)	(%)	(US\$)	(%)	(US\$)	(%)	(US\$)	(%)
1990	4 923	100	3 806	77	1 116	23	895	18
1995	8 272	100	5 989	72	2 283	28	1 443	17
2000	13 703	100	10 440	76	3 263	24	2 998	22
2005	21 352	100	15 003	70	6 350	30	4 989	23
2010	24 800	100	14 365	58	10 435	42	4 872	20
2011	27 989	100	16 169	58	11 820	42	5 611	20
2012	27 642	100	16 465	60	11 177	40	5 531	20
2013	28 731	100	17 269	60	11 462	40	5 753	20
2014	32 619	100	21 007	64	11 611	36	6 748	21
2015	30 331	100	20 224	67	10 107	33	6 126	20
2016	53 723	100	35 990	67	17 733	33	12 364	23
2017	54 124	100	36 122	67	18 001	33	12 743	24
2018	61 054	100	41 606	68	19 448	32	14 168	23
2019	68 900	100	47 004	68	21 896	32	14 626	21

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

... Although Viet Nam is becoming more involved in international production networks, its RVC participation has not been as strong as the regional average.

Following the trend in GVC participation, participation in RVCs (regional value chains) has undergone significant changes during the past three decades including dramatic growth in the first 20 years and a slight and gradual downward trend more recently (table 4). Similar to the case with GVC participation, FVA created within ASEAN has been a major factor in changes in RVC participation. In general, Viet Nam follows the trend of ASEAN as a whole, with a lowering of the share of FVA created outside ASEAN; however, in terms of the other factors, such as FVA created within ASEAN and DVX incorporated within ASEAN, the shares for Viet Nam seem to trend in the opposite direction from the increase seen in ASEAN.

Industries in Viet Nam generally extend their production chains outside ASEAN rather than within the region. The primary sector is more involved in RVCs than are other sectors (figure 6); mining, quarrying and petroleum show more regional orientation, while agriculture, hunting, forestry and fishing are more globally integrated. In the manufacturing sector, food, beverages and tobacco, and electrical and electronic equipment, two of the three main industries participating in GVCs, tend to concentrate regionally. In contrast, textiles, clothing and leather – the largest contributor to gross exports of the sector – is more globally oriented. The tertiary sector has the lowest value involved value RVCs and GVCs, and the lowest share of RVC participation compared with GVC participation. However, three of six industries that are more concentrated in the region are in this sector (transport, storage and communication; health and social services; and finance) (figure 6).

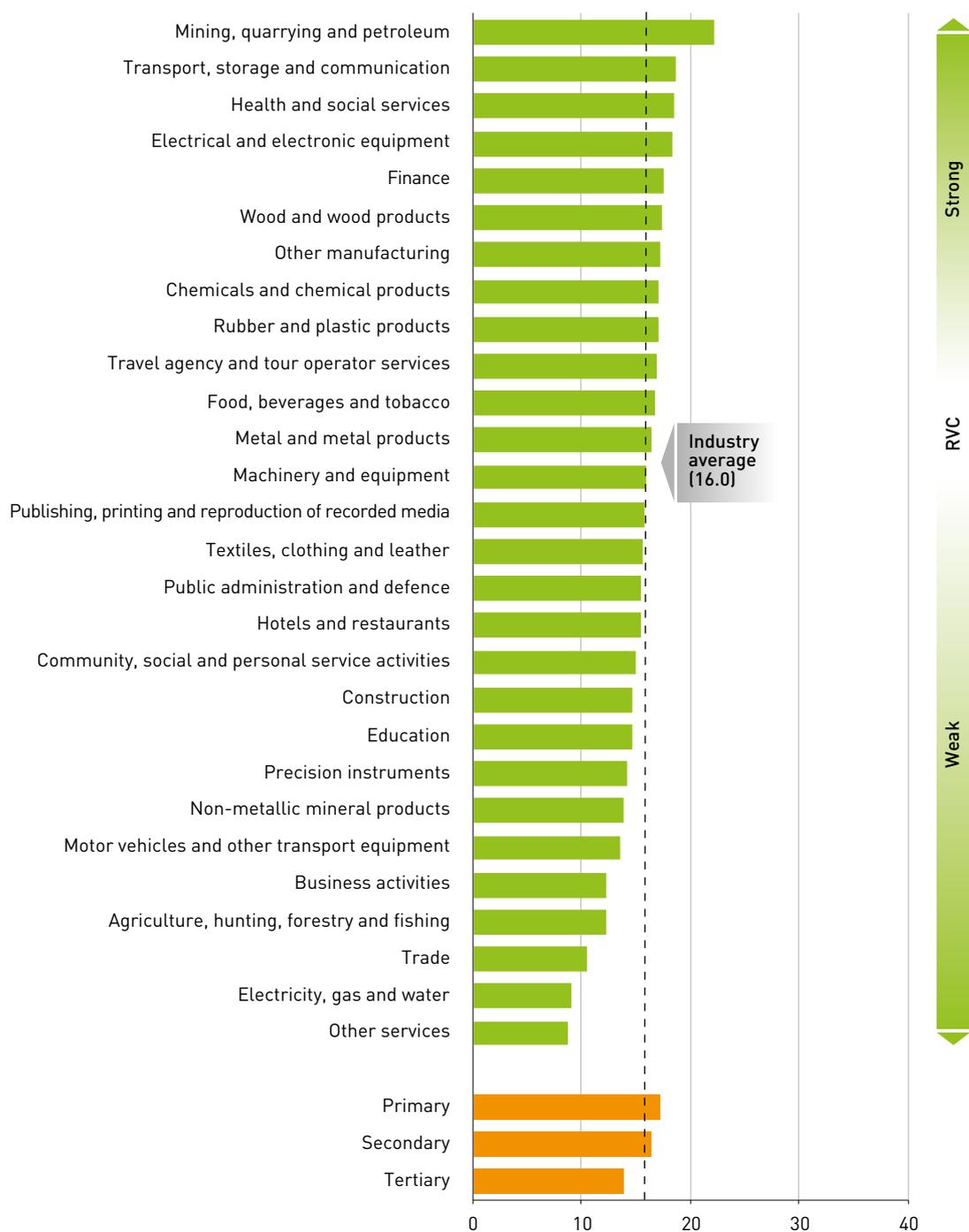
Because of geographical advantages, such as being the gateway to the Pacific Ocean through the East-West economic corridor (integrating five ASEAN countries: Myanmar, Thailand, the Lao People's Democratic Republic, Cambodia and Viet Nam) and the transition point of transportation from East to South Asia, Viet Nam should want to become a global hub of logistics and trade, facilitating the connection between ASEAN and East Asian countries, as well as other continents, especially the Americas. To achieve this aim, logistics is identified as a focal industry of Viet Nam in the long-term vision; hence, it is expected that the participation of the tertiary sector in RVCs and GVCs will become much stronger.

Table 4. GVC and RVC participation in Viet Nam, 1990–2019 (Per cent of total exports)

Year	FVA: Foreign value added			DVX: Domestic value added incorporated in other countries' exports			Value chain participation	
	Total (A) = (B+C)	Created outside ASEAN (B)	Created within ASEAN (C)	Total (D) = (E+F)	Incorporated outside ASEAN (E)	Incorporated within ASEAN (F)	GVC participation (A + D)	RVC participation (C + F)
1990	22.7	20.1	2.6	18.2	16.7	1.5	40.8	4.1
1995	27.6	23.4	4.2	17.4	14.2	3.3	45.0	7.5
2000	23.8	19.7	4.1	21.9	17.6	4.3	45.7	8.4
2005	29.7	24.3	5.4	23.4	18.9	4.4	53.1	9.9
2010	42.1	34.1	7.9	19.6	16.1	3.6	61.7	11.5
2015	33.3	26.7	6.7	20.2	16.7	3.5	53.5	10.1
2019	31.8	25.6	6.2	21.2	18.8	2.4	53.0	8.7

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

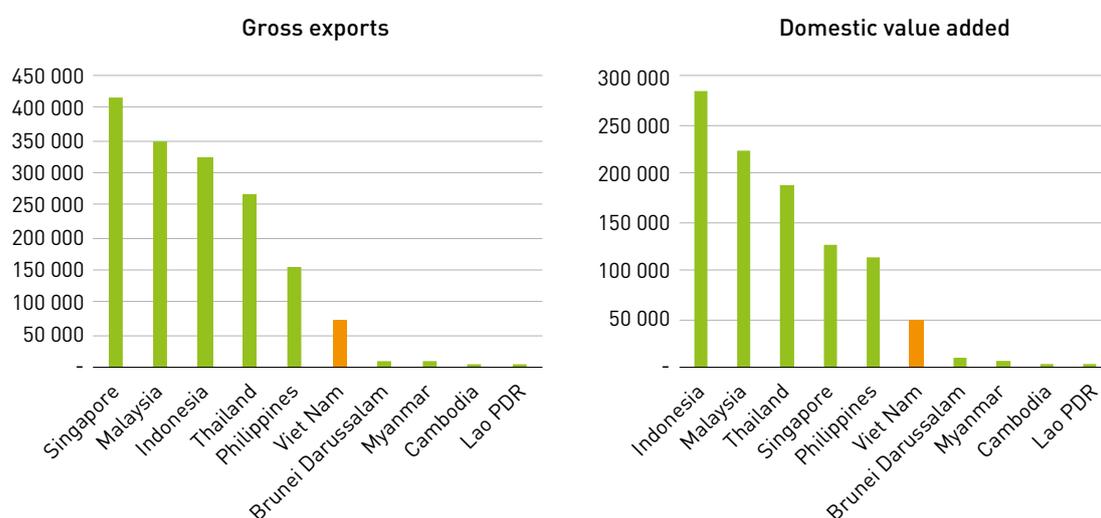
Figure 6. **Importance of RVCs in Viet Nam compared with GVCs, by industry, 2017**
 (Share of RVC participation in GVC participation)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: The higher the share of RVC participation in GVC participation is, the more production networks are established in the region. However, for any industry, the degree of participation of countries other than ASEAN in GVCs is larger than that of ASEAN. Industry classification is at two-three digit level of ISIC.

Figure 7. Value added exports (gross exports) and domestic value added in exports from Viet Nam as compared with other ASEAN countries, 2019 (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: Gross exports refers to the sum of domestic value added and foreign value added. For the definition, see box 1.

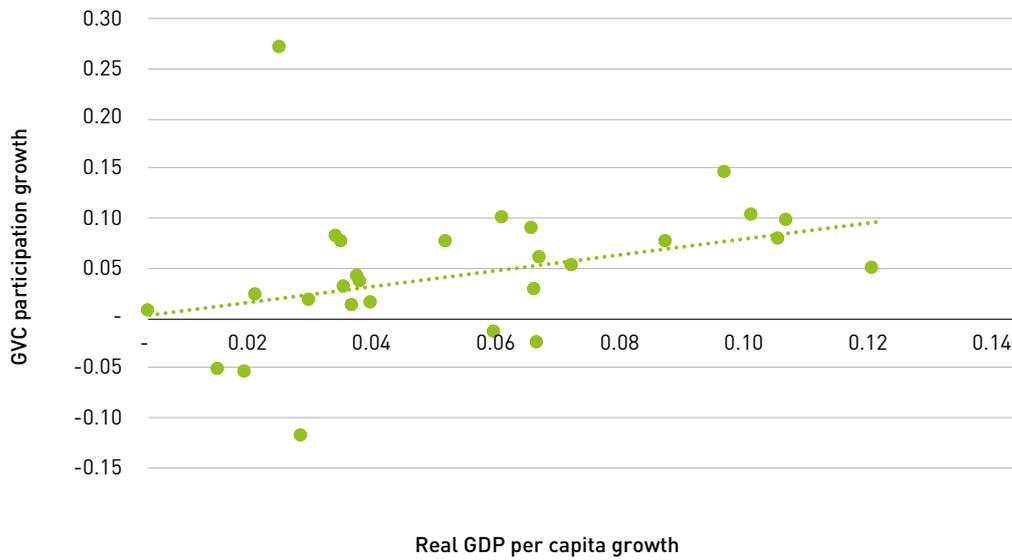
There is a relationship between the increasing level of FDI and the growth of participation of Viet Nam in GVCs, and both of these create benefits for the economy...

Although Viet Nam has been more involved in GVCs and RVCs since 2003, its rate of participation has not been as strong as the ASEAN average. What is good for Viet Nam is that, as in many other ASEAN countries, there is evidence of a positive relationship between GVC participation and economic growth (figure 8), as involvement in GVCs has grown with the increasing level of FDI (figure 9). Additionally, the importance of FDI in the country is relatively high - FDI stock as a percentage of GDP of Viet Nam is at 59 per cent and potentially rises in the future in light of the ASEAN average, which is even higher than that of Viet Nam (Figure 10).

These statistics imply that attracting more FDI is essential for evolving and upgrading GVC participation in Viet Nam. However, the transformation of GVC participation in the country cannot simply rely on increases in FDI, as shown by the enormous gap between gross (value added) exports and exports in BoP (see table 2), and also the significantly low value of DVA and FVA in comparison to those of Singapore, Malaysia, Indonesia, Thailand and the Philippines (figure 7). In order for FDI to enhance the value added of the economy and assist the country in becoming more competitive, increasing and leveraging the domestic sector for FDI and GVC participation are crucial. Specifically, as Viet Nam is a latecomer to the global economy, it can take advantage of the various opportunities and options offered by many TNCs. Through the strategic promotion of FDI, Viet Nam can encourage the industrial and technological development of the domestic sector.

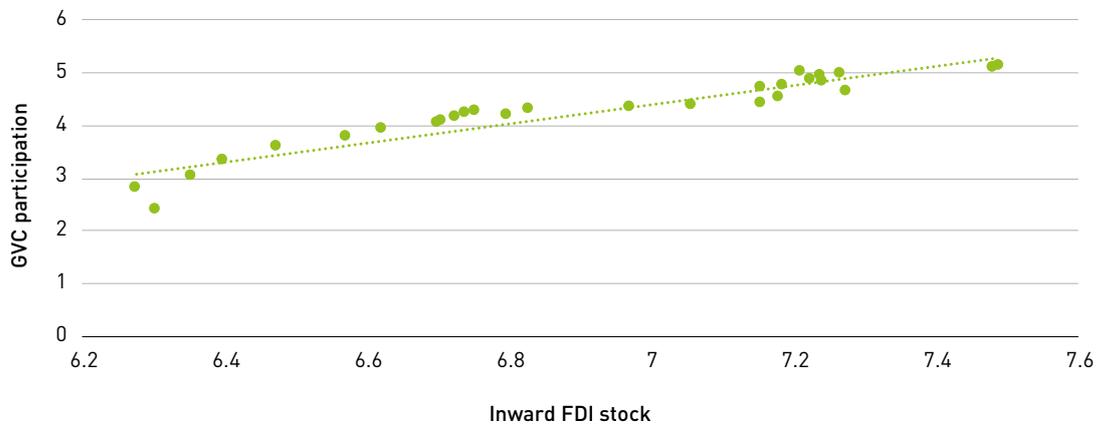
However, the relationship between increases in FDI and more participation in GVC is not automatic.

Figure 8. Relationship between GVC participation and economic growth rates in Viet Nam, 1990–2019



Source: AJC-UNCTAD-Eora database on ASEAN GVCs; GDP data from UNCTAD GlobStat.
 Note: 29 observation points. For GVC participation, yearly differences in the log value of the sum of foreign value added (FVA) and domestic value added incorporated in other countries (DVX), both in millions of dollars, are used. For GDP per capita, yearly differences in its log in dollars are used.

Figure 9. Relationship between GVC participation and FDI presence in Viet Nam, 1990–2018

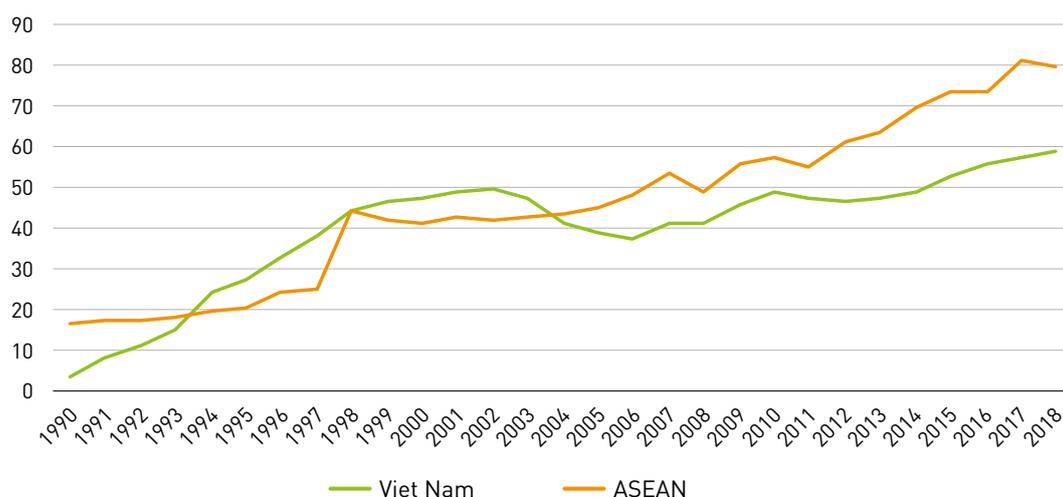


Source: AJC-UNCTAD-Eora database on ASEAN GVCs and UNCTAD FDI/TNC database (for FDI stock).
 Note: 28 observation points. Data for FDI stock in 2019 are not available. For GVC participation, the log of the sum of foreign value added (FVA) and domestic value added incorporated in other countries (DVX), both of which are in millions of dollars, is used, while, for inward FDI stock, its log in millions of dollars is used.

... Therefore, Viet Nam should improve its legal framework and administrative procedures to help the domestic sector tackle its current challenges, and keep track of the economic reforms under Doi Moi to attract FDI, along with promoting the development of high-tech, modern infrastructure.

The government has made continual efforts to strengthen its state-owned enterprises (SOEs) under the socialist-oriented market economy. Transforming and equitizing SOEs is a paramount necessity if the country wants to capitalize on the benefits of GVCs. In the socioeconomic development plan for 2011-2015, the government determined that “domestic businesses have not been linked to many global value chains”.¹³ Therefore, in the next five-year plan (2016-2020), the aim is to raise the rate of domestic sector participation in regional and global value chains through FDI. Viet Nam has the potential to attract more such FDI than the ASEAN average (figure 10). In order to reach this goal, Viet Nam needs to tackle three challenges. First, Vietnamese enterprises mostly participate in the lowest part of value chains – assembly – and are dependent on TNCs. Labour costs in Viet Nam have been increasing, therefore the advantage to TNCs of participating in the assembly stage of value chains because of low labour costs, in comparison to China and other ASEAN countries, will fade and eventually disappear. Second, supporting industries have not yet developed strongly. For example, in the automotive industry, Viet Nam has fewer than 100 first-tier suppliers, compared to 690 in Thailand, and fewer than 150 second- and third-tier suppliers, compared to about 1,700 in Thailand. Indonesia has roughly 1,570 suppliers.¹⁴ Third, the high cost of finance resulting from cumbersome lending procedures and stringent collateral requirements, and the limited access to financial resources are heavy burdens for local firms.

Figure 10. FDI stock as percentage of GDP, in Viet Nam and in ASEAN, 1990–2018



Source: Inward FDI stock from UNCTAD, World Investment Report, Annex Tables, various years; GDP from UNCTADstat (www.unctadstat.unctad.org).

¹³ Government of Viet Nam, *The Five-Year Socio-Economic Development Plan 2016–2020*, p. 50.

¹⁴ ASEAN-Japan Centre, *Global Value Chains in ASEAN: Automobiles, Paper 12*, January 2020.

To deal with these problems, the domestic enterprise sector needs support from the government in improving the legal framework and administrative procedures to become more transparent and tackle hidden costs. In this process, industry associations and official supportive institutions that can act as 'hubs' between the government and enterprises become more important. Through them, the macro strategic plan for the domestic sector can be deployed more easily as the associations can be the channel for information sharing and business connection. In particular, research and development can be facilitated for their members, specifically when experts from the associations can help member businesses understand and apply new knowledge, technologies, techniques and standards. The government may consider financial supports for research and development at the association level, rather than at the individual enterprise level.

The economic reform in Viet Nam has resulted in significant achievements for three decades. Viet Nam has become a market-based economy, as well as a favoured destination for FDI, more integrated into the world's economy and GVCs. Moreover, the government's activities and directions show that the reform has continuously introduced amendments to its process, maintaining focus on sustainable development of the economy. The country has been acting to balance the growth and contribution of the three sectors. In particular, the government has identified the need for technology and infrastructure development in order to make possible more integration into GVCs through both the FDI and the domestic sectors.

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ANNEX TABLES

Annex table 1. Value added exports of goods and services from Viet Nam, by value added creator, 1990–2019 (Millions of dollars)

Value added creator	Exports from Viet Nam						
	1990	1995	2000	2005	2010	2015	2019
World	1 116	2 283	3 263	6 350	10 435	10 107	21 896
Developed countries	396	984	1 263	2 821	4 540	3 780	8 226
Europe	132	265	416	801	1 145	983	2 136
European Union	121	243	382	738	1 040	883	1 937
Belgium	7	15	20	40	54	51	102
France	19	42	64	123	173	146	300
Germany	30	61	97	182	266	182	550
Italy	13	26	41	85	118	105	197
Netherlands	9	20	29	48	72	64	127
Spain	5	10	15	36	47	46	98
United Kingdom	17	33	62	110	145	141	226
Other developed Europe	10	23	34	63	105	100	199
Switzerland	6	15	20	41	73	73	144
North America	87	172	280	465	675	565	1 188
Canada	7	12	28	44	70	64	136
United States	80	161	252	421	606	501	1 052
Other developed countries	177	546	567	1 555	2 720	2 232	4 902
Australia	22	34	52	109	184	188	343
Japan	151	506	505	1 426	2 501	2 010	4 489
Developing countries	702	1 272	1 956	3 412	5 654	6 081	13 164
Africa	14	18	32	60	104	89	171
Latin America and the Caribbean	13	20	35	62	125	110	208
South America	10	15	25	46	98	85	159
Brazil	2	3	5	12	26	22	53
Asia	675	1 234	1 888	3 288	5 421	5 880	12 778
West Asia	24	34	62	133	195	214	404
Kuwait	5	9	17	43	57	65	118
Saudi Arabia	11	13	20	34	47	49	99
United Arab Emirates	4	5	9	22	30	37	60
South, East and South-east Asia	650	1 200	1 827	3 156	5 227	5 666	12 375
East Asia	511	823	1 217	1 882	3 035	3 409	7 612
China	69	247	299	814	1 695	2 035	5 005
Hong Kong, China	15	45	83	129	143	176	268
Korea, Republic of	56	132	244	478	775	851	1 693
Taiwan Province of China	371	399	590	461	419	344	638
South Asia	13	26	49	118	226	236	479
India	5	13	26	69	150	155	345
Iran	5	7	11	27	43	48	75
ASEAN	127	350	561	1 156	1 966	2 021	4 285
Brunei Darussalam	0	1	1	3	5	5	9
Cambodia	1	2	4	11	17	16	36
Indonesia	28	79	107	210	387	410	981
Lao People's Democratic Republic	1	2	5	8	15	15	35
Malaysia	15	33	83	168	262	263	583
Myanmar	0	1	4	4	8	9	19
Philippines	7	18	21	48	91	96	223
Singapore	42	99	170	345	664	649	1 193
Thailand	34	115	165	358	517	556	1 207
Oceania	1	1	1	2	3	3	6
Transition economies	18	27	44	117	241	246	507
Russian Federation	11	19	30	83	177	187	374
Ukraine	3	5	7	21	38	35	76
Domestic value added (DVA)	3 806	5 989	10 440	15 003	14 365	20 224	47 004
Gross exports	4 923	8 272	13 703	21 352	24 800	30 331	68 900

Source: AJC-UNCTAD-Eora database on ASEAN GVCs. Data for 2016–2018 are projected by UNCTAD and Eora.

Note: All values are estimated. Regions and countries are where the value added is attributed. For GVC terminology, see box 1.

Annex table 2.1. Value added exports of goods and services from Viet Nam, by value added creator, and by sector and industry, 1990

Value added creator	Exports from Viet Nam by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Chemicals and chemical products
World	150	59	92	550	186	244	43	10
Developed countries	57	20	37	180	68	68	16	4
Europe	20	7	13	56	22	20	5	2
European Union	18	6	12	52	20	18	5	1
Belgium	1	0	1	3	1	1	0	0
France	3	1	2	8	3	3	1	0
Germany	4	1	3	13	5	5	1	0
Italy	2	1	1	6	2	3	1	0
Netherlands	1	1	1	4	2	1	0	0
Spain	1	0	0	2	1	1	0	0
United Kingdom	3	1	2	7	3	2	1	0
Other developed Europe	2	1	1	4	2	1	0	0
Switzerland	1	0	1	3	1	1	0	0
North America	13	5	8	41	16	17	3	1
Canada	1	1	1	3	1	1	0	0
United States	12	4	8	38	14	15	3	1
Other developed countries	24	8	16	83	31	32	7	1
Australia	3	1	2	10	4	4	1	0
Japan	20	7	14	71	27	27	6	1
Developing countries	89	36	53	363	114	174	26	6
Africa	2	1	1	6	2	2	1	0
Latin America and the Caribbean	2	1	1	6	2	2	1	0
South Africa	1	1	1	4	2	1	0	0
Brazil	0	0	0	1	0	0	0	0
Asia	85	34	51	351	109	171	25	6
West Asia	3	1	2	12	4	5	1	0
Kuwait	1	0	0	2	1	1	0	0
Saudi Arabia	1	0	1	5	2	2	0	0
United Arab Emirates	0	0	0	2	1	1	0	0
South, East and South-east Asia	82	33	49	340	105	166	24	5
East Asia	62	24	38	275	78	143	18	4
China	17	12	5	28	15	8	2	1
Hong Kong, China	2	1	1	8	2	4	1	0
Korea, Republic of	6	2	3	30	10	15	2	0
Taiwan Province of China	37	8	28	209	51	116	13	3
South Asia	2	1	1	6	2	3	0	0
India	1	0	0	3	1	1	0	0
Iran	1	0	0	2	1	1	0	0
ASEAN	19	9	10	58	25	20	6	1
Brunei Darussalam	0	0	0	0	0	0	0	0
Cambodia	0	0	0	0	0	0	0	0
Indonesia	5	3	2	13	5	4	1	0
Lao People's Democratic Republic	0	0	0	1	0	0	0	0
Malaysia	2	1	1	7	3	2	1	0
Myanmar	0	0	0	0	0	0	0	0
Philippines	2	2	0	3	2	1	0	0
Singapore	6	2	4	17	8	5	2	0
Thailand	4	1	2	18	7	7	2	0
Oceania	0	0	0	0	0	0	0	0
Transition economies	4	3	1	7	3	2	1	0
Russian Federation	3	2	1	4	2	1	0	0
Ukraine	0	0	0	1	1	0	0	0
Domestic value added (DVA)	958	347	611	999	607	177	136	15
Gross exports	1 108	405	703	1 549	792	421	179	25

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 1.

(Millions of dollars)

Exports from Viet Nam by sector/industry

Metal and metal products	Electrical and electronic equipment	Other manufacturing	Services					
			Total	Trade	Hotels and restaurants	Transport, storage and communications	Finance	Business activities
19	8	9	415	92	79	125	23	35
6	3	3	159	34	30	49	9	14
2	1	1	56	11	11	18	3	5
2	1	1	51	10	10	16	3	4
0	0	0	3	1	1	1	0	0
0	0	0	8	1	2	3	0	1
0	0	0	13	3	2	4	1	1
0	0	0	6	1	1	2	0	0
0	0	0	4	1	1	1	0	0
0	0	0	2	0	0	1	0	0
0	0	0	7	1	1	3	0	1
0	0	0	4	1	1	1	0	0
0	0	0	2	0	0	1	0	0
1	1	1	32	6	7	10	2	3
0	0	0	2	0	1	1	0	0
1	1	1	30	6	6	9	1	3
3	2	1	71	16	13	21	4	6
1	0	0	9	2	2	3	1	1
2	1	1	60	15	11	17	3	5
13	5	6	249	57	47	74	13	21
0	0	0	6	1	1	2	0	0
0	0	0	6	1	1	2	0	0
0	0	0	4	1	1	1	0	0
0	0	0	1	0	0	0	0	0
12	5	5	238	56	45	70	13	20
0	0	0	9	2	2	4	0	1
0	0	0	2	0	0	1	0	0
0	0	0	4	1	1	2	0	0
0	0	0	2	0	0	1	0	0
12	4	5	228	54	43	67	12	19
11	4	4	174	45	31	49	8	15
1	0	0	24	4	6	10	1	1
0	0	0	5	1	1	2	0	1
1	0	0	19	5	4	5	1	2
9	3	3	124	36	21	32	6	11
0	0	0	5	1	1	2	0	0
0	0	0	2	0	0	1	0	0
0	0	0	2	0	0	1	0	0
1	1	1	50	9	11	16	4	4
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	10	2	2	3	1	1
0	0	0	0	0	0	0	0	0
0	0	0	6	1	1	2	0	1
0	0	0	0	0	0	0	0	0
0	0	0	2	0	0	1	0	0
0	0	0	19	3	4	6	2	1
0	0	0	13	2	3	4	1	1
0	0	0	0	0	0	0	0	0
0	0	0	7	1	1	2	1	1
0	0	0	4	1	1	1	0	0
0	0	0	1	0	0	0	0	0
12	4	9	1 849	502	394	434	157	182
30	13	17	2 264	594	472	560	180	218

Annex table 2.2. Value added exports of goods and services from Viet Nam, by value added creator, and by sector and industry, 1995

Value added creator	Exports from Viet Nam by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Chemicals and chemical products
World	318	187	131	1 521	314	721	63	32
Developed countries	117	54	62	660	143	290	29	14
Europe	37	18	20	163	33	66	7	5
European Union	34	16	18	150	30	61	7	4
Belgium	2	1	1	8	2	3	0	0
France	6	3	3	26	5	10	1	1
Germany	9	4	5	38	7	15	2	1
Italy	3	1	2	17	3	9	1	0
Netherlands	3	1	1	11	3	4	1	0
Spain	1	0	1	7	1	3	0	0
United Kingdom	5	2	3	20	5	8	1	1
Other developed Europe	4	2	2	13	3	5	1	0
Switzerland	2	1	1	9	2	4	0	0
North America	25	13	12	112	24	51	5	3
Canada	2	1	1	7	2	3	0	0
United States	23	12	11	105	23	47	5	3
Other developed countries	54	23	31	384	85	173	16	7
Australia	4	2	2	22	5	10	1	1
Japan	50	21	28	358	80	161	15	6
Developing countries	194	128	67	847	167	426	33	17
Africa	3	1	1	10	2	4	1	0
Latin America and the Caribbean	3	1	1	12	3	5	1	1
South Africa	2	1	1	9	2	4	0	0
Brazil	0	0	0	2	0	1	0	0
Asia	189	125	64	824	162	417	32	16
West Asia	5	2	3	21	5	9	1	1
Kuwait	1	0	1	5	1	2	0	0
Saudi Arabia	2	1	1	8	2	4	0	0
United Arab Emirates	1	0	0	3	1	1	0	0
South, East and South-east Asia	184	123	61	803	156	408	31	16
East Asia	131	91	40	561	99	302	18	10
China	85	75	10	125	45	49	6	3
Hong Kong, China	5	2	3	32	5	17	1	1
Korea, Republic of	11	5	6	97	13	55	3	2
Taiwan Province of China	31	9	22	307	36	180	8	5
South Asia	3	2	1	18	3	10	1	0
India	2	1	1	9	2	4	0	0
Iran	1	0	1	4	1	2	0	0
ASEAN	50	30	20	224	54	97	12	5
Brunei Darussalam	0	0	0	0	0	0	0	0
Cambodia	0	0	0	2	0	0	1	0
Indonesia	16	12	4	49	13	22	3	1
Lao People's Democratic Republic	0	0	0	2	0	1	0	0
Malaysia	4	2	2	21	4	8	1	1
Myanmar	0	0	0	0	0	0	0	0
Philippines	6	6	1	9	3	3	0	0
Singapore	13	7	7	58	15	22	3	2
Thailand	10	4	6	83	18	40	4	1
Oceania	0	0	0	0	0	0	0	0
Transition economies	6	5	1	14	4	5	1	1
Russian Federation	5	4	1	10	3	3	0	0
Ukraine	1	1	0	3	1	1	0	0
Domestic value added (DVA)	1 766	625	1 141	2 215	819	791	171	46
Gross exports	2 084	812	1 272	3 736	1 133	1 512	234	79

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 1.

(Millions of dollars)

Exports from Viet Nam by sector/industry

Metal and metal products	Electrical and electronic equipment	Other manufacturing	Services					
			Total	Trade	Hotels and restaurants	Transport, storage and communications	Finance	Business activities
44	95	147	443	88	97	136	30	35
19	49	67	207	40	46	63	14	17
5	13	19	64	11	14	21	4	5
4	12	17	59	10	12	19	4	5
0	0	1	4	1	1	1	0	0
1	3	3	10	2	2	3	1	1
1	4	5	15	3	3	5	1	1
1	1	2	6	1	1	2	0	0
0	1	1	5	1	1	2	0	0
0	0	1	2	0	0	1	0	0
0	2	2	9	1	2	3	1	1
0	1	2	6	1	1	2	0	0
0	1	1	3	1	1	1	0	0
3	8	11	35	6	8	11	2	3
0	0	1	3	0	1	1	0	0
3	8	10	32	6	7	10	2	3
11	28	38	107	23	24	30	7	9
1	1	2	8	1	2	3	1	1
10	27	35	98	21	22	27	6	8
25	45	79	231	47	50	71	16	18
0	1	1	5	1	1	2	0	0
0	1	1	5	1	1	2	0	0
0	1	1	4	0	1	1	0	0
0	0	0	1	0	0	0	0	0
24	44	77	222	46	48	67	15	17
0	1	2	9	1	2	4	0	1
0	0	0	2	0	1	1	0	0
0	0	1	4	0	1	2	0	0
0	0	0	1	0	0	1	0	0
24	43	75	213	45	46	64	15	17
18	29	50	131	32	27	37	8	11
3	4	10	38	6	9	14	2	2
1	3	3	8	1	2	3	0	1
2	6	9	24	7	5	5	2	2
12	16	27	61	18	11	15	3	6
0	1	2	5	1	1	2	0	0
0	0	1	3	0	1	1	0	0
0	0	0	2	0	1	1	0	0
6	13	23	76	12	18	24	7	6
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
1	2	4	15	3	4	5	1	1
0	0	0	0	0	0	0	0	0
1	3	3	8	1	2	3	0	1
0	0	0	0	0	0	0	0	0
0	1	1	3	0	1	1	0	0
1	5	6	27	4	6	8	3	2
2	3	9	22	4	5	7	1	2
0	0	0	0	0	0	0	0	0
0	1	1	6	1	1	2	1	0
0	1	1	4	1	1	1	0	0
0	0	0	1	0	0	0	0	0
27	53	186	2 008	484	480	468	182	198
71	148	333	2 451	572	578	604	212	233

Annex table 2.3. Value added exports of goods and services from Viet Nam, by value added creator, and by sector and industry, 2000

Value added creator	Exports from Viet Nam by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Chemicals and chemical products
World	419	197	223	2 275	340	1 077	83	72
Developed countries	168	73	95	866	137	379	32	28
Europe	60	27	33	275	43	118	10	11
European Union	54	24	30	254	39	109	10	10
Belgium	3	2	2	12	2	5	1	1
France	10	5	5	42	7	17	1	2
Germany	14	5	8	64	10	26	2	2
Italy	5	2	3	29	4	15	1	1
Netherlands	4	2	2	18	3	8	1	1
Spain	2	1	1	11	1	6	0	0
United Kingdom	9	4	5	40	7	17	2	2
Other developed Europe	6	3	3	21	4	9	1	1
Switzerland	3	2	2	13	2	5	0	0
North America	43	20	22	186	32	81	8	7
Canada	5	3	2	17	3	7	1	1
United States	37	18	20	169	28	74	7	6
Other developed countries	66	26	39	405	62	180	14	10
Australia	7	3	4	34	6	16	1	1
Japan	57	23	35	363	55	161	12	9
Developing countries	241	116	125	1 384	197	688	50	43
Africa	5	2	3	20	4	7	1	1
Latin America and the Caribbean	5	2	3	23	4	9	1	1
South Africa	4	2	2	16	3	7	1	1
Brazil	1	0	0	4	1	2	0	0
Asia	230	111	119	1 340	189	670	49	40
West Asia	10	5	5	38	8	16	2	2
Kuwait	3	1	2	10	2	5	0	0
Saudi Arabia	3	1	2	12	3	6	1	1
United Arab Emirates	1	1	1	6	1	2	0	0
South, East and South-east Asia	220	106	114	1 303	181	654	47	39
East Asia	137	66	71	887	107	458	28	25
China	53	35	19	194	37	96	7	7
Hong Kong, China	9	3	6	63	7	35	2	1
Korea, Republic of	22	10	13	182	23	98	6	4
Taiwan Province of China	52	18	34	448	41	228	14	13
South Asia	6	3	3	36	5	21	1	1
India	3	2	2	19	3	10	1	1
Iran	2	1	1	7	2	3	0	0
ASEAN	77	38	40	380	69	174	18	12
Brunei Darussalam	0	0	0	1	0	0	0	0
Cambodia	0	0	0	3	0	1	2	0
Indonesia	16	10	7	73	13	38	3	2
Lao People's Democratic Republic	1	0	0	3	1	2	0	0
Malaysia	11	5	6	55	9	21	2	2
Myanmar	1	0	0	2	1	1	0	0
Philippines	5	3	1	14	3	6	0	0
Singapore	25	11	14	110	21	46	5	4
Thailand	18	8	11	119	21	61	5	4
Oceania	0	0	0	1	0	0	0	0
Transition economies	10	8	3	26	6	10	1	1
Russian Federation	8	6	2	17	4	7	1	1
Ukraine	1	1	1	4	1	2	0	0
Domestic value added (DVA)	3 728	1 209	2 519	3 956	1 168	1 486	288	155
Gross exports	4 147	1 406	2 741	6 232	1 508	2 563	371	227

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 1.

(Millions of dollars)

Exports from Viet Nam by sector/industry

			Services					
Metal and metal products	Electrical and electronic equipment	Other manufacturing	Total	Trade	Hotels and restaurants	Transport, storage and communications	Finance	Business activities
82	243	158	567	148	106	141	39	53
31	111	58	228	57	43	57	16	22
9	34	19	81	18	16	22	6	8
9	31	18	74	17	14	20	5	7
0	1	1	4	1	1	1	0	0
1	7	3	12	3	2	3	1	1
3	9	5	19	5	3	5	1	2
1	3	2	7	2	1	2	1	1
0	2	1	6	1	1	2	0	1
0	1	1	3	1	0	1	0	0
1	5	2	13	2	3	4	1	1
1	2	2	7	1	1	2	1	1
0	2	1	4	1	1	1	0	0
6	22	12	51	11	10	15	3	5
1	1	1	6	1	1	2	0	0
5	21	11	45	10	9	13	3	4
16	56	27	96	27	17	20	7	10
2	3	2	10	2	2	3	1	1
14	52	24	84	25	15	17	6	9
50	130	99	331	90	61	82	23	30
1	3	1	7	1	1	2	0	1
1	2	1	7	1	1	2	0	1
1	1	1	5	1	1	2	0	0
0	0	0	1	0	0	0	0	0
48	125	96	317	87	58	77	22	29
1	3	2	14	2	3	5	1	1
0	1	1	4	1	1	2	0	0
0	1	1	5	1	1	2	0	0
0	0	0	2	0	0	1	0	0
47	123	94	303	85	55	72	21	28
35	80	67	192	62	32	42	12	18
6	14	11	52	12	10	16	3	4
2	8	4	11	2	2	3	1	1
6	18	11	39	14	7	6	3	4
21	40	41	90	34	13	16	6	9
1	2	2	8	2	2	2	1	1
1	1	1	4	1	1	1	0	0
0	0	0	3	0	1	1	0	0
12	40	24	103	22	22	28	9	9
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
2	5	4	18	4	4	5	1	1
0	0	0	1	0	0	0	0	0
2	10	4	17	3	4	5	1	2
0	0	0	1	0	0	1	0	0
0	2	1	3	1	1	1	0	0
4	15	7	35	8	7	8	5	3
3	7	9	27	6	6	8	2	2
0	0	0	0	0	0	0	0	0
1	3	2	8	2	1	2	1	1
1	2	1	5	1	1	1	0	0
0	0	0	2	0	0	0	0	0
79	213	220	2 756	634	615	559	272	308
161	456	378	3 323	782	721	700	311	361

Annex table 2.4. Value added exports of goods and services from Viet Nam, by value added creator, and by sector and industry, 2005

Value added creator	Exports from Viet Nam by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Chemicals and chemical products
World	898	420	478	4 299	766	2 081	158	119
Developed countries	366	154	213	1 950	356	915	71	51
Europe	125	53	72	512	85	226	18	18
European Union	114	48	66	474	77	210	17	16
Belgium	7	3	4	24	5	10	1	1
France	20	10	10	80	13	33	3	3
Germany	28	11	17	117	19	48	4	4
Italy	11	4	7	58	8	30	2	1
Netherlands	8	4	5	29	6	13	1	1
Spain	4	2	3	25	3	13	1	1
United Kingdom	18	8	10	69	12	32	3	3
Other developed Europe	11	5	6	38	7	16	1	1
Switzerland	7	3	4	26	5	11	1	1
North America	72	33	39	306	59	142	12	10
Canada	9	5	4	26	6	11	1	1
United States	63	28	35	280	54	131	11	9
Other developed countries	169	68	102	1 132	213	548	41	24
Australia	16	6	10	70	13	32	2	2
Japan	151	61	90	1 048	197	509	38	21
Developing countries	503	245	258	2 282	395	1 138	84	65
Africa	11	5	6	35	7	13	1	2
Latin America and the Caribbean	10	4	6	39	7	17	2	2
South Africa	7	3	4	29	6	13	1	1
Brazil	2	1	1	8	1	4	0	0
Asia	482	236	246	2 208	380	1 107	81	61
West Asia	24	10	14	76	19	33	4	3
Kuwait	8	3	5	24	7	11	1	1
Saudi Arabia	6	3	4	20	5	9	1	1
United Arab Emirates	4	1	2	13	3	5	1	0
South, East and South-east Asia	458	226	232	2 132	360	1 075	78	58
East Asia	269	142	127	1 299	202	680	39	33
China	158	102	56	513	102	252	17	16
Hong Kong, China	15	5	10	96	11	54	2	2
Korea, Republic of	49	20	29	346	46	191	10	7
Taiwan Province of China	47	14	32	344	43	182	10	8
South Asia	15	7	8	82	12	48	2	3
India	9	5	5	48	8	25	1	2
Iran	5	2	3	15	4	6	1	1
ASEAN	174	77	97	751	146	347	36	22
Brunei Darussalam	1	0	0	2	1	1	0	0
Cambodia	1	1	0	8	1	2	5	0
Indonesia	35	19	16	136	27	68	6	4
Lao People's Democratic Republic	1	0	1	6	1	3	1	0
Malaysia	24	9	15	106	20	41	4	4
Myanmar	1	0	1	2	1	1	0	0
Philippines	11	8	3	29	6	14	1	1
Singapore	56	23	33	212	43	93	9	7
Thailand	44	17	27	249	48	126	10	6
Oceania	0	0	0	1	0	0	0	0
Transition economies	29	22	7	66	15	28	3	2
Russian Federation	23	18	5	46	11	19	2	2
Ukraine	4	2	2	12	3	5	0	0
Domestic value added (DVA)	5 523	1 767	3 756	5 336	1 623	2 026	370	181
Gross exports	6 421	2 187	4 234	9 635	2 389	4 106	527	300

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 1.

(Millions of dollars)

Exports from Viet Nam by sector/industry

			Services					
Metal and metal products	Electrical and electronic equipment	Other manufacturing	Total	Trade	Hotels and restaurants	Transport, storage and communications	Finance	Business activities
131	397	288	1 150	269	238	306	81	109
59	193	134	503	120	105	126	35	50
16	58	38	163	36	32	44	12	16
15	55	35	149	33	29	40	11	15
1	2	2	9	2	2	2	1	1
2	12	7	23	5	5	6	2	2
4	16	9	37	9	7	9	3	4
2	5	4	16	4	3	4	1	2
1	3	2	11	2	2	3	1	1
1	2	2	7	2	1	2	1	1
2	7	4	24	4	5	8	2	2
1	4	3	14	3	3	4	1	1
1	3	2	8	2	2	2	1	1
8	29	20	86	18	19	25	6	8
1	2	2	9	2	2	3	0	1
8	27	18	77	16	17	22	5	7
35	106	75	254	66	54	57	17	26
4	6	5	23	5	5	7	2	2
31	99	70	227	61	48	49	15	23
70	197	150	626	145	129	175	44	57
1	4	2	14	2	3	5	1	1
1	3	2	13	2	3	4	1	1
1	2	2	10	2	2	3	1	1
0	1	1	2	1	0	1	0	0
67	190	145	599	140	123	165	42	55
2	5	5	33	5	8	13	1	2
1	1	1	11	2	3	5	1	1
0	1	1	8	1	2	3	0	1
0	1	1	5	1	1	2	0	0
65	185	140	566	135	115	152	41	53
42	111	86	314	84	60	81	19	30
16	36	33	143	33	30	43	8	12
3	12	6	18	4	4	5	1	2
10	32	21	83	26	14	17	7	8
13	31	25	70	21	12	15	4	8
2	4	5	21	4	4	7	2	2
1	3	4	12	3	2	3	1	1
0	1	1	7	1	2	3	0	0
22	70	50	231	47	51	65	20	21
0	0	0	1	0	0	0	0	0
0	0	0	1	0	0	0	0	0
4	9	8	40	8	9	13	3	3
0	0	0	1	0	0	0	0	0
4	18	8	38	7	8	12	3	3
0	0	0	1	0	0	1	0	0
1	3	2	7	2	2	2	1	1
6	24	14	76	16	16	17	10	7
7	15	18	65	14	15	19	4	6
0	0	0	0	0	0	0	0	0
2	6	5	21	4	4	6	2	2
2	4	3	14	3	3	4	1	1
0	1	1	5	1	1	1	1	0
100	273	326	4 144	937	949	882	432	485
231	671	614	5 294	1 206	1 187	1 188	514	594

Annex table 2.5. Value added exports of goods and services from Viet Nam, by value added creator, and by sector and industry, 2010

Value added creator	Exports from Viet Nam by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Chemicals and chemical products
World	1 543	799	743	7 158	1 491	3 029	255	297
Developed countries	589	271	318	3 222	710	1 317	116	124
Europe	186	89	98	743	137	279	25	39
European Union	167	79	88	678	123	256	23	35
Belgium	10	5	5	34	7	12	1	2
France	30	17	13	113	20	40	3	6
Germany	42	18	24	175	31	62	6	9
Italy	16	6	10	82	13	37	2	3
Netherlands	12	6	6	44	10	16	2	3
Spain	6	3	4	33	5	14	1	2
United Kingdom	24	12	13	91	18	35	3	5
Other developed Europe	19	10	9	65	14	23	2	4
Switzerland	13	7	6	46	9	17	2	2
North America	109	54	55	443	101	177	17	21
Canada	15	9	6	41	10	15	2	2
United States	94	45	49	403	91	162	15	19
Other developed countries	294	129	165	2 035	472	861	74	65
Australia	27	11	17	120	25	48	4	5
Japan	262	116	146	1 891	443	804	69	58
Developing countries	890	479	411	3 799	747	1 664	135	165
Africa	19	9	10	62	14	20	2	5
Latin America and the Caribbean	21	10	12	77	17	27	3	5
South Africa	17	7	9	60	14	22	2	4
Brazil	4	2	2	17	3	6	1	1
Asia	849	460	388	3 658	715	1 616	129	155
West Asia	34	15	19	116	30	45	5	6
Kuwait	10	4	5	34	9	13	2	2
Saudi Arabia	8	4	5	28	7	11	1	2
United Arab Emirates	5	2	3	18	5	7	1	1
South, East and South-east Asia	815	446	370	3 542	685	1 571	125	148
East Asia	482	280	203	2 088	368	986	60	82
China	348	233	115	1 073	231	456	32	50
Hong Kong, China	17	6	11	106	15	53	3	4
Korea, Republic of	72	27	44	590	80	314	16	19
Taiwan Province of China	45	13	32	317	41	162	9	10
South Asia	31	16	15	157	27	78	4	8
India	22	12	10	104	19	46	3	6
Iran	8	3	4	25	7	9	1	1
ASEAN	302	150	152	1 297	290	507	60	58
Brunei Darussalam	1	0	1	3	1	1	0	0
Cambodia	2	2	1	13	2	2	8	0
Indonesia	67	40	27	251	56	105	11	12
Lao People's Democratic Republic	2	1	1	11	2	4	2	0
Malaysia	38	15	22	169	35	55	7	9
Myanmar	2	1	1	4	2	1	0	0
Philippines	23	17	6	56	13	21	2	2
Singapore	105	50	55	423	98	156	17	20
Thailand	63	25	38	367	81	161	14	14
Oceania	1	0	0	2	0	1	0	0
Transition economies	64	49	15	138	34	48	5	8
Russian Federation	52	42	10	97	25	32	3	5
Ukraine	7	4	2	24	6	9	1	1
Domestic value added (DVA)	5 796	1 234	4 562	4 795	1 445	1 457	243	264
Gross exports	7 339	2 034	5 305	11 953	2 936	4 486	499	561

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 1.

(Millions of dollars)

Exports from Viet Nam by sector/industry

			Services						
Metal and metal products	Electrical and electronic equipment	Other manufacturing	Total	Trade	Hotels and restaurants	Transport, storage and communications	Finance	Business activities	
276	515	668	1 729	327	368	521	159	128	
121	237	308	727	140	160	206	65	55	
31	70	79	214	39	43	63	22	16	
28	64	72	193	36	39	57	19	15	
1	2	4	11	2	2	3	1	1	
4	14	14	29	5	6	8	3	2	
8	19	19	49	10	9	14	5	4	
4	6	8	21	4	4	5	2	2	
1	3	4	15	3	3	5	1	1	
1	2	3	8	2	2	2	1	1	
3	8	8	29	5	6	10	3	2	
2	5	7	21	3	4	7	2	1	
2	4	5	14	2	3	4	2	1	
16	32	41	123	20	27	42	10	8	
2	3	4	14	2	3	6	1	1	
14	29	37	109	18	24	36	10	8	
75	136	187	390	81	90	101	33	30	
8	9	11	36	6	8	11	4	3	
67	125	174	348	75	80	88	28	27	
149	266	347	963	180	200	303	88	70	
3	5	6	22	3	5	9	2	1	
3	5	7	27	3	6	10	2	2	
3	4	5	21	3	5	8	2	1	
1	1	2	5	1	1	1	0	0	
143	255	335	913	174	190	283	85	67	
4	6	10	45	6	10	19	3	2	
1	2	3	13	2	3	5	1	1	
1	1	2	11	1	2	5	1	1	
1	1	2	7	1	2	3	0	0	
139	249	325	869	168	179	264	82	64	
86	139	188	464	101	90	140	36	36	
45	67	98	275	53	56	93	20	18	
4	10	10	20	3	4	7	1	2	
24	38	53	113	30	20	27	12	10	
13	24	27	56	15	9	13	4	6	
5	8	15	37	6	8	13	4	2	
4	6	12	25	4	5	7	3	2	
1	1	2	11	1	2	5	1	1	
48	103	121	367	61	82	111	42	26	
0	0	0	1	0	0	1	0	0	
0	0	0	1	0	0	0	0	0	
9	15	22	69	11	16	25	6	4	
0	0	1	2	0	1	0	0	0	
8	24	18	55	8	12	20	5	4	
0	0	0	3	0	1	1	0	0	
2	6	5	12	2	3	3	1	1	
16	38	40	136	24	29	33	22	10	
13	19	35	88	15	20	28	7	6	
0	0	0	1	0	0	0	0	0	
6	12	13	39	7	8	12	5	3	
4	9	10	27	5	5	8	3	2	
1	2	2	8	1	1	2	1	1	
123	265	554	3 771	814	917	719	401	496	
399	780	1 222	5 500	1 141	1 285	1 239	560	624	

Annex table 2.6. Value added exports of goods and services from Viet Nam, by value added creator, and by sector and industry, 2015

Value added creator	Exports from Viet Nam by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Chemicals and chemical products
World	1 570	839	731	7 073	1 433	2 953	240	309
Developed countries	498	229	269	2 754	599	1 102	94	111
Europe	161	77	84	661	117	245	21	36
European Union	143	68	75	597	104	222	19	32
Belgium	9	5	4	33	7	12	1	2
France	25	14	11	100	17	35	3	5
Germany	28	13	16	125	21	43	4	7
Italy	14	6	9	75	11	33	2	3
Netherlands	11	5	6	40	9	15	1	3
Spain	6	3	3	32	5	14	1	2
United Kingdom	24	11	13	92	17	36	3	5
Other developed Europe	19	10	9	63	13	22	2	4
Switzerland	14	7	6	48	9	17	1	3
North America	96	48	48	377	83	146	14	19
Canada	14	8	6	39	9	14	2	2
United States	82	40	42	338	74	132	12	17
Other developed countries	241	103	137	1 717	399	712	60	56
Australia	28	11	17	127	26	49	4	6
Japan	208	90	117	1 567	368	653	55	49
Developing countries	1 002	554	448	4 176	799	1 802	141	190
Africa	17	8	9	54	12	17	2	4
Latin America and the Caribbean	19	9	11	69	15	24	3	5
South Africa	15	7	8	54	12	19	2	4
Brazil	3	2	2	15	3	6	1	1
Asia	965	538	428	4 051	772	1 760	136	181
West Asia	38	17	21	132	33	51	5	7
Kuwait	11	5	6	40	11	16	2	2
Saudi Arabia	9	4	5	30	7	12	1	2
United Arab Emirates	6	2	4	23	6	9	1	1
South, East and South-east Asia	928	521	407	3 919	739	1 709	131	173
East Asia	576	347	229	2 383	411	1 102	65	101
China	438	299	139	1 312	268	552	37	65
Hong Kong, China	21	8	13	134	18	65	3	5
Korea, Republic of	79	30	49	668	90	349	17	22
Taiwan Province of China	38	11	27	267	34	134	7	9
South Asia	33	17	16	168	28	83	4	8
India	23	12	10	110	19	48	3	6
Iran	9	3	5	28	7	10	1	2
ASEAN	319	157	161	1 368	300	524	61	64
Brunei Darussalam	1	0	1	3	1	1	0	0
Cambodia	3	2	1	13	2	2	8	0
Indonesia	73	43	30	273	59	113	12	13
Lao People's Democratic Republic	2	1	1	12	3	4	2	0
Malaysia	38	15	23	176	34	55	7	10
Myanmar	2	1	1	5	2	1	0	0
Philippines	25	19	6	60	14	23	2	2
Singapore	106	50	57	422	97	150	16	21
Thailand	69	27	42	404	88	174	15	16
Oceania	0	0	0	2	0	1	0	0
Transition economies	70	55	14	142	35	49	5	8
Russian Federation	59	49	10	104	26	34	3	6
Ukraine	6	4	2	22	5	9	1	1
Domestic value added (DVA)	7 773	1 673	6 100	7 528	2 164	2 478	349	378
Gross exports	9 343	2 512	6 831	14 601	3 597	5 431	589	687

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 1.

(Millions of dollars)

Exports from Viet Nam by sector/industry

			Services						
Metal and metal products	Electrical and electronic equipment	Other manufacturing	Total	Trade	Hotels and restaurants	Transport, storage and communications	Finance	Business activities	
284	563	643	1 459	243	309	464	132	104	
107	225	257	525	89	115	155	47	38	
28	68	69	160	26	32	49	16	12	
25	62	62	142	23	28	43	14	10	
1	3	4	9	1	2	3	1	1	
4	14	13	21	3	5	6	2	2	
6	15	13	28	5	5	8	3	2	
4	6	7	16	3	3	4	2	1	
1	3	4	12	2	2	4	1	1	
1	3	3	7	1	1	2	1	1	
3	10	8	25	3	5	9	2	2	
2	6	7	17	2	4	6	2	1	
2	5	5	12	2	2	3	2	1	
14	30	34	92	13	20	33	8	6	
2	3	4	11	1	3	5	1	1	
12	27	31	81	12	18	28	7	5	
66	126	154	274	51	63	74	23	21	
8	10	11	33	5	8	11	3	2	
57	115	141	235	45	54	62	19	18	
170	325	373	900	149	188	299	80	63	
2	5	5	17	2	4	8	1	1	
3	5	6	21	2	4	9	2	1	
2	4	5	16	2	3	7	1	1	
1	1	2	3	1	1	1	0	0	
165	314	362	862	145	179	283	77	61	
5	8	11	44	5	10	20	2	2	
1	2	3	14	2	3	6	1	1	
1	2	3	10	1	2	5	0	1	
1	1	2	8	1	2	4	0	0	
160	306	351	818	140	169	263	75	58	
102	177	211	449	86	87	144	34	33	
58	91	118	285	48	57	102	20	18	
5	15	13	20	3	4	7	1	2	
28	49	57	105	26	19	26	11	9	
11	22	23	39	9	7	10	3	4	
5	9	16	35	5	7	12	4	2	
4	7	12	23	3	5	7	3	2	
1	2	2	11	1	3	5	1	1	
52	121	125	334	49	75	106	37	23	
0	0	0	1	0	0	1	0	0	
0	0	0	1	0	0	0	0	0	
10	18	23	64	9	15	24	5	4	
0	1	1	2	0	0	0	0	0	
8	27	18	49	6	11	18	4	3	
0	0	0	3	0	1	1	0	0	
2	8	5	11	2	2	3	1	1	
17	43	39	120	19	26	31	20	9	
14	24	38	83	12	19	28	6	6	
0	0	0	0	0	0	0	0	0	
6	13	13	33	5	7	10	5	2	
5	10	10	24	4	5	8	3	2	
1	2	2	6	1	1	1	1	0	
206	444	854	4 923	1 013	1 177	1 002	526	620	
490	1 007	1 497	6 382	1 256	1 486	1 467	658	723	

Annex table 2.7. Value added exports of goods and services from Viet Nam, by value added creator, and by sector and industry, 2017

Value added creator	Exports from Viet Nam by sector/industry							
	Primary			Manufacturing				
	Total	Agriculture, hunting, forestry and fishing	Mining, quarrying and petroleum	Total	Food, beverages and tobacco	Textiles, clothing and leather	Wood and wood products	Chemicals and chemical products
World	3 051	2 076	975	11 974	2 763	3 791	532	784
Developed countries	1 028	655	374	4 864	1 193	1 472	220	292
Europe	319	203	116	1 160	243	307	49	91
European Union	285	181	105	1 059	220	281	45	82
Belgium	17	12	5	53	13	13	3	5
France	48	33	14	165	36	40	6	12
Germany	79	47	31	308	60	76	12	23
Italy	25	14	11	115	21	37	5	7
Netherlands	20	14	7	65	15	17	3	6
Spain	12	7	5	55	10	18	2	4
United Kingdom	36	24	13	120	25	35	5	10
Other developed Europe	34	23	11	101	23	26	4	9
Switzerland	24	17	8	74	17	20	3	6
North America	183	122	61	629	161	182	31	46
Canada	29	21	8	64	17	15	4	6
United States	155	101	54	566	143	167	27	41
Other developed countries	526	329	197	3 075	789	982	140	154
Australia	48	27	20	182	43	50	8	12
Japan	469	296	173	2 854	735	921	130	139
Developing countries	1 898	1 314	583	6 875	1 506	2 260	303	472
Africa	30	19	11	83	20	19	4	9
Latin America and the Caribbean	38	24	14	117	28	30	6	11
South Africa	29	18	11	92	22	24	5	8
Brazil	7	5	3	30	6	8	1	2
Asia	1 829	1 271	558	6 671	1 458	2 210	293	452
West Asia	69	44	26	194	51	55	10	16
Kuwait	19	12	7	57	16	17	3	4
Saudi Arabia	17	11	6	47	12	13	3	4
United Arab Emirates	10	6	4	29	7	8	2	2
South, East and South-east Asia	1 759	1 227	532	6 477	1 407	2 155	283	435
East Asia	1 108	799	309	3 990	811	1 406	150	262
China	875	673	202	2 377	546	749	89	181
Hong Kong, China	29	16	13	163	26	65	6	9
Korea, Republic of	142	80	61	1 057	178	437	42	52
Taiwan Province of China	61	29	32	390	60	155	13	20
South Asia	64	43	21	252	51	97	9	19
India	45	31	14	174	36	58	6	14
Iran	15	9	6	39	11	10	2	4
ASEAN	588	386	202	2 235	546	652	124	155
Brunei Darussalam	1	1	1	4	1	1	0	0
Cambodia	5	4	1	20	3	2	13	1
Indonesia	148	106	41	497	122	150	28	37
Lao People's Democratic Republic	4	2	1	19	5	6	3	1
Malaysia	73	44	29	301	65	69	13	23
Myanmar	3	2	1	7	2	2	1	1
Philippines	45	37	8	104	28	29	4	7
Singapore	169	108	62	610	158	169	30	45
Thailand	140	83	57	672	162	224	32	41
Oceania	1	1	0	3	1	1	0	0
Transition economies	125	107	18	235	65	59	9	20
Russian Federation	104	92	12	169	48	40	7	15
Ukraine	12	9	3	38	10	11	2	2
Domestic value added (DVA)	13 446	5 536	7 910	13 376	5 101	3 143	727	877
Gross exports	16 497	7 612	8 885	25 349	7 864	6 933	1 259	1 661

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. Regions and countries refer to where the value added is attributed. For GVC terminology, see box 1.

(Millions of dollars)

Exports from Viet Nam by sector/industry

			Services						
Metal and metal products	Electrical and electronic equipment	Other manufacturing	Total	Trade	Hotels and restaurants	Transport, storage and communications	Finance	Business activities	
708	1 016	818	2 972	716	492	779	259	222	
279	423	342	1 120	275	191	269	96	86	
72	125	89	334	79	51	83	33	25	
66	116	81	301	72	46	74	29	23	
3	4	4	17	4	3	4	2	1	
10	23	16	43	10	7	10	4	3	
21	37	24	85	22	12	20	8	7	
9	10	8	32	8	5	7	3	2	
3	5	4	21	5	3	6	2	1	
4	5	4	15	4	2	3	1	2	
7	13	8	37	8	6	11	3	3	
6	9	8	33	7	5	9	4	2	
4	7	6	23	5	4	5	3	2	
34	52	43	178	37	32	53	15	12	
4	5	4	23	4	4	9	1	1	
30	47	38	155	33	27	45	13	11	
173	246	210	608	159	107	132	49	48	
17	15	12	57	12	11	15	6	4	
155	227	196	541	145	95	115	41	43	
415	569	460	1 789	428	291	494	154	132	
5	8	5	29	4	5	11	2	2	
7	10	7	40	7	7	14	3	3	
6	8	6	31	5	5	11	2	2	
2	3	2	8	2	1	2	1	1	
402	551	447	1 720	416	279	468	149	127	
11	13	12	77	13	15	30	4	5	
3	3	4	23	4	4	8	2	1	
3	3	3	19	3	4	8	1	1	
2	2	2	12	2	2	5	0	1	
392	538	435	1 643	404	264	438	145	123	
255	318	266	937	254	140	245	68	72	
153	183	159	621	154	98	179	42	45	
9	19	12	30	7	5	9	2	2	
68	82	69	210	69	28	43	19	17	
25	34	26	74	24	9	14	5	7	
13	16	18	66	13	11	20	6	4	
10	13	14	45	10	7	12	5	3	
2	2	2	18	3	3	7	1	1	
124	204	151	640	137	113	174	70	46	
0	0	0	2	0	0	1	0	0	
0	0	1	2	1	0	0	0	0	
27	39	32	132	27	24	41	11	9	
1	1	1	4	1	1	1	0	0	
20	46	22	93	17	16	30	8	7	
0	0	0	4	1	1	2	0	0	
6	13	6	23	6	4	5	3	2	
34	61	41	211	48	35	47	35	15	
35	43	49	170	37	31	48	12	13	
0	0	0	1	0	0	0	0	0	
14	23	15	63	14	10	16	9	5	
10	17	11	43	10	7	12	6	3	
2	4	3	12	3	2	3	2	1	
442	687	886	9 301	2 643	1 720	1 535	962	1 285	
1 149	1 703	1 703	12 273	3 359	2 211	2 315	1 221	1 507	

Annex table 3. Value added exports of goods and services from Viet Nam, by sector and industry creating the value added, 1990–2017 (Millions of dollars)

Sector/industry	Exports from Viet Nam						
	1990	1995	2000	2005	2010	2015	2017
Total	4 701	7 432	13 438	19 992	19 237	26 350	48 866
Primary	1 592	2 847	5 522	8 167	8 843	11 157	20 056
Agriculture, hunting, forestry and fishing	942	1 401	2 370	3 470	2 293	2 803	8 805
Mining, quarrying and petroleum	650	1 446	3 152	4 697	6 550	8 354	11 251
Secondary	711	1 615	2 911	4 108	3 744	5 750	12 224
Food, beverages and tobacco	181	280	410	561	445	830	3 476
Textiles, clothing and leather	139	661	948	1 351	997	1 757	2 727
Wood and wood products	72	100	219	308	258	366	852
Publishing, printing and reproduction of recorded media	22	28	69	88	85	93	170
Chemicals and chemical products	62	95	257	358	369	434	958
Rubber and plastic products	24	34	85	124	153	203	452
Non-metallic mineral products	59	84	133	186	209	270	728
Metal and metal products	48	70	134	196	198	299	581
Machinery and equipment	10	34	107	132	96	148	226
Electrical and electronic equipment	24	71	231	333	331	486	752
Precision instruments	2	9	27	37	50	64	100
Motor vehicles and other transport equipment	42	38	128	173	148	171	521
Other manufacturing	28	111	164	262	405	629	677
Tertiary	2 398	2 969	5 005	7 716	6 646	9 443	16 586
Electricity, gas and water	118	169	400	629	615	941	1 407
Construction	18	12	12	22	29	50	242
Trade	747	929	1 423	2 120	2 027	2 855	5 618
Hotels and restaurants	280	393	523	802	889	1 153	1 831
Transport, storage and communication	431	542	876	1 448	1 102	1 617	2 338
Finance	189	237	383	614	543	755	1 241
Business activities	457	501	999	1 624	1 040	1 516	2 877
Education	26	32	52	83	82	107	228
Health and social services	21	28	43	68	58	85	162
Community, social and personal service activities	91	106	162	259	217	305	533
Public administration and defence	4	3	4	7	8	10	19
Other services	1	1	105	3	1	1	24
Travel agency and tour operator services	15	16	23	37	34	48	66

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The value includes both values created abroad (outside Viet Nam) (FVA) and within Viet Nam (DVA). The industry refers to the industry to which the value is attributed, not the industry from which exports originate.

Annex table 4. Viet Nam's value added exports incorporated in other countries' exports, by region or country, 1990–2019 (Millions of dollars)

Region/country	DVX from Viet Nam						
	1990	1995	2000	2005	2010	2015	2019
World	895	1 443	2 998	4 989	4 872	6 126	14 626
Developed countries	604	828	1 631	2 555	2 322	2 964	9 295
Europe	394	544	1 094	1 724	1 531	1 949	7 028
European Union	384	530	1 066	1 674	1 484	1 894	6 625
Belgium	64	73	134	206	184	227	1 232
France	38	48	97	134	110	139	954
Germany	96	124	275	444	419	570	1 300
Italy	29	47	90	137	105	133	557
Netherlands	64	97	175	272	237	290	757
Spain	9	15	33	56	47	58	221
United Kingdom	26	40	75	112	98	114	419
Other developed Europe	11	15	27	50	47	55	403
Switzerland	7	9	17	36	34	40	293
North America	17	37	114	147	126	167	712
Canada	7	16	40	57	45	54	213
United States	10	21	74	91	81	113	499
Other developed countries	192	246	423	683	665	847	1 555
Australia	58	105	158	242	223	271	635
Japan	131	136	251	420	424	555	845
Developing countries	280	603	1 343	2 396	2 508	3 111	4 856
Africa	8	10	17	29	31	37	286
Latin America and the Caribbean	7	13	39	60	57	73	319
South America	3	5	10	19	22	28	151
Brazil	0	1	4	7	8	11	37
Asia	264	579	1 285	2 305	2 418	2 998	4 244
West Asia	8	9	27	40	34	41	229
Kuwait	0	0	1	1	1	1	30
Saudi Arabia	2	2	4	5	5	6	23
United Arab Emirates	1	1	2	4	5	7	61
South, East and South-east Asia	256	570	1 258	2 265	2 384	2 957	4 015
East Asia	180	296	662	1 291	1 475	1 866	2 173
China	32	92	292	749	933	1 180	1 353
Hong Kong, China	14	24	46	81	89	112	247
Korea, Republic of	29	47	109	216	218	291	281
Taiwan Province of China	105	133	214	243	233	279	287
South Asia	2	4	11	26	28	39	159
India	1	2	8	20	22	31	122
Iran	1	1	1	2	2	3	22
ASEAN	73	270	585	948	882	1 052	1 682
Brunei Darussalam	0	0	0	1	1	1	8
Cambodia	0	2	7	7	8	11	2
Indonesia	9	76	176	278	250	291	413
Lao People's Democratic Republic	0	0	1	1	1	2	11
Malaysia	20	79	169	262	251	285	421
Myanmar	0	0	0	0	0	0	1
Philippines	5	12	24	39	35	41	73
Singapore	27	69	135	240	249	310	567
Thailand	10	31	73	119	87	111	185
Oceania	1	1	1	2	2	2	6
Transition economies	11	12	25	38	43	52	476
Russian Federation	5	6	15	19	19	24	280
Ukraine	2	2	3	5	6	8	24

Source: AJC-UNCTAD-Eora database on ASEAN GVCs. Data for 2016–2018 are projected by UNCTAD and Eora.

Note: All values are estimated. The value refers to that incorporated in exports from the countries listed. For GVC terminology, see box 1.

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