



The Climate for Foreign Direct Investment in Vietnam

Displaying Regional Differences

A Regional Comparison of the Investment Climate in

Vietnam

China

The Philippines

Malaysia

Indonesia

Thailand

Data from MIGA, JETRO, World Bank and CIA compiled and edited by Axel Mierke and Martina Wolff

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Introduction

When firms explore new locations for future investments they usually investigate into various potential locations before making their choice. In order to give investors an initial overview over potential locations in South-East-Asia *Meó Corporate Development Ltd.* has compiled relevant recent comparative studies and data on the framework conditions for foreign direct investment. We selected critical factors for investment and depicted it in graphics suitable to give a comparative overview of the following countries:

- China
- Indonesia
- Malaysia
- Thailand
- The Philippines
- Vietnam

The data has been compiled from reports and publications from the following organizations and our own research:

- Ministry of Planning and Investment (MPI) Vietnam
- CIA World Fact Book
- MIGA
- World Bank
- JETRO

This booklet has been prepared for the general information and assistance of those interested in the investment location Vietnam. The content has been thoroughly researched and is based on recent publications. However, it is only intended as a general guide and we cannot take any responsibility for the correctness of the included data.

For further information or advice on investing in Vietnam please contact us.

Axel Mierke

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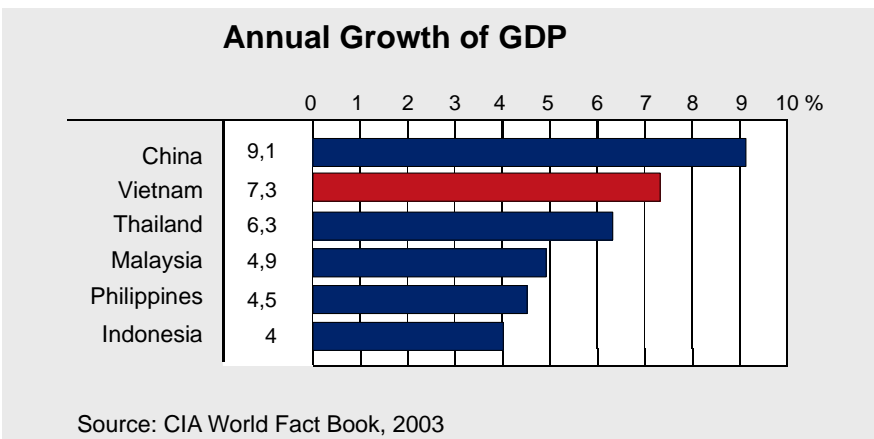
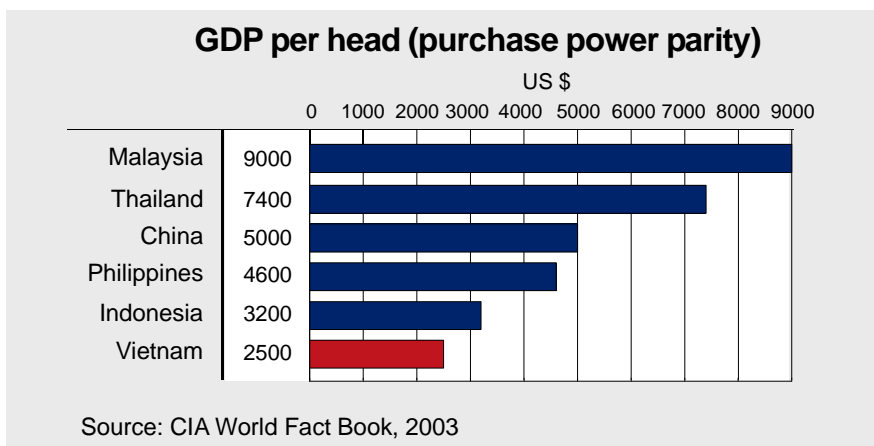
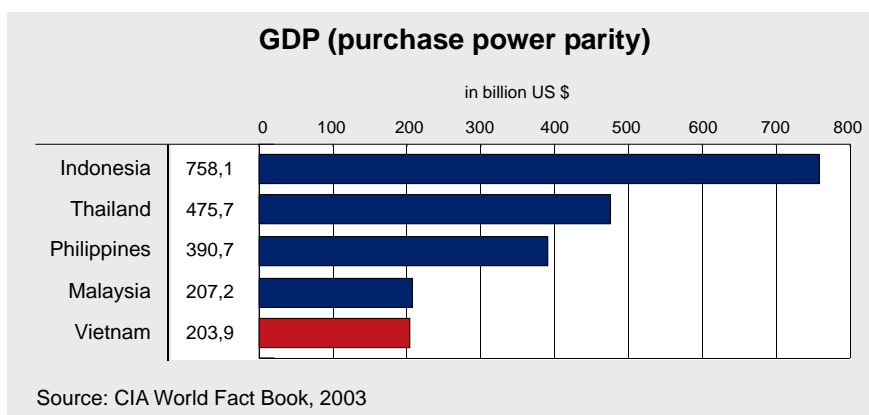
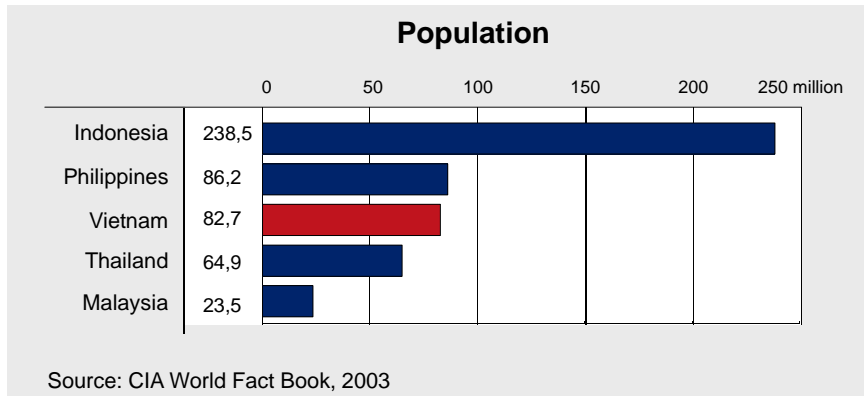
Further information on the investment climate in Vietnam can also be obtained at:
<http://www.mierke.de/>

Costs in Vietnam

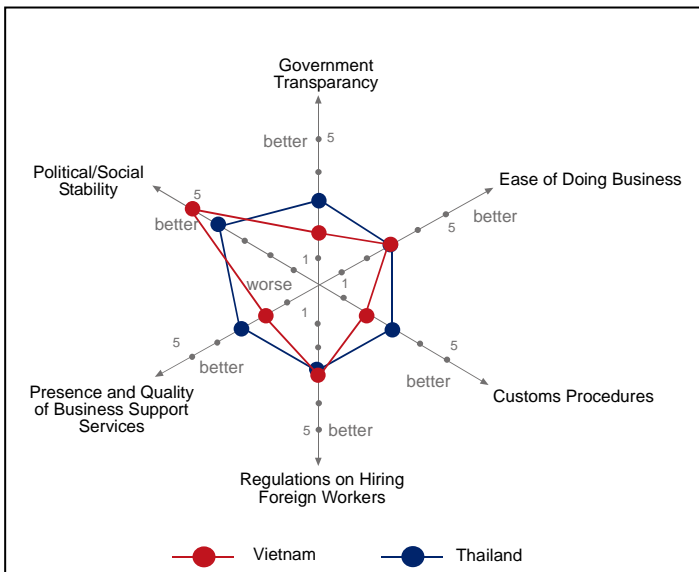
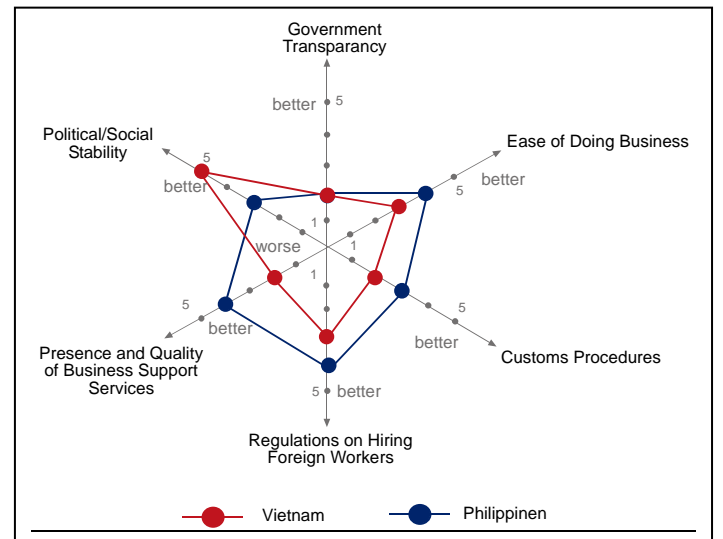
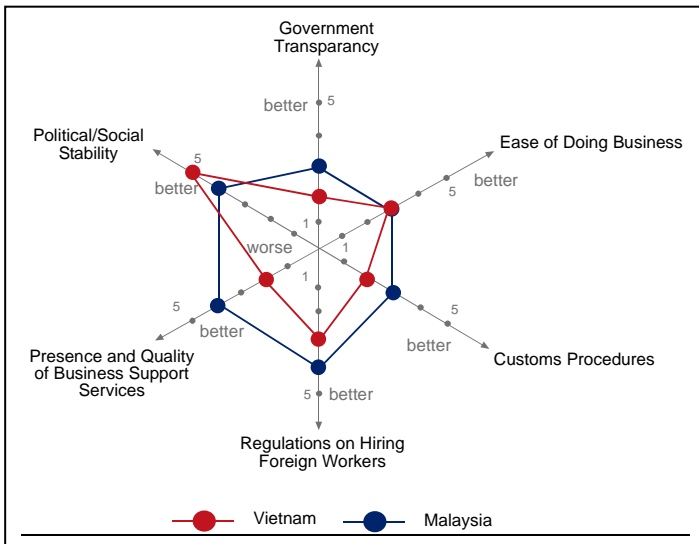
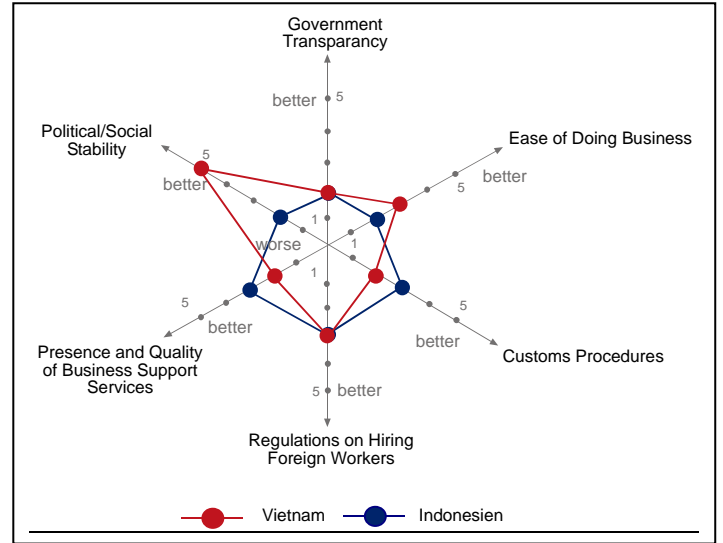
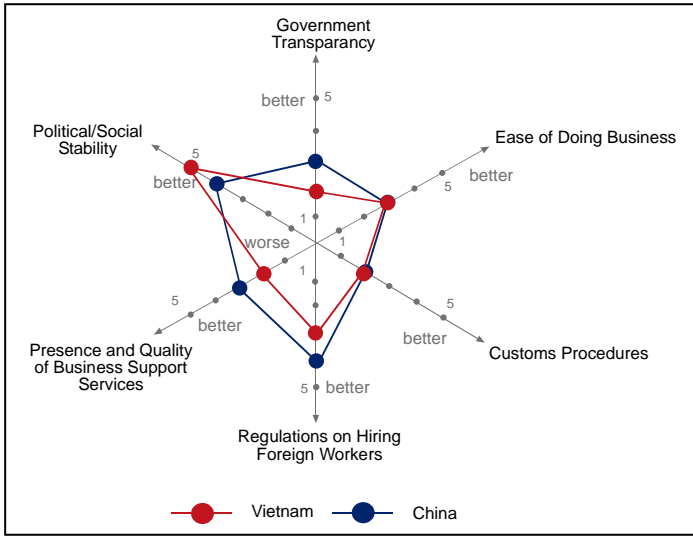
	Hanoi	HCMC
Worker, Labour Costs per Month	60 - 120 USD	70 - 130 USD
Mid-Level Manager, Labour Costs per Month	450 - 570 USD	500 - 650 USD
Engineer, Labour Costs per Month	180 - 350 USD	180 - 450 USD
Office lease per m2 and Month	21 USD	21 USD
Land Lease in Industrial Zone per m2 and Month	0,22 USD	0,08 USD
International Telephone Call (3 Min.)	6,93 USD	
Cell Phone Cost, National per Minute	0,12 - 0,27 USD	
Internet, DSL per Month	65 USD	
Electrical Cost per kWh	0,05 - 0,07 USD	
Water pro m3	0,23 USD	
Gas per kg	0,50 USD	
Petrol per Liter	0,35 USD	
Corporate Income Tax (max. Privilege Rate)	25 % (10 %)	
Personal Income Tax	0 - 40 %	

Source: JETRO, MIGA, Meó, MPI, World Bank

Macroeconomic Data



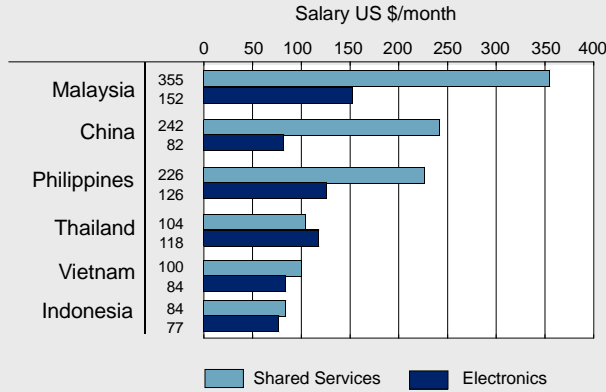
General Business Conditions



Investors' Sentiments
Source: MIGA, 2003
Charts: Axel Mierke

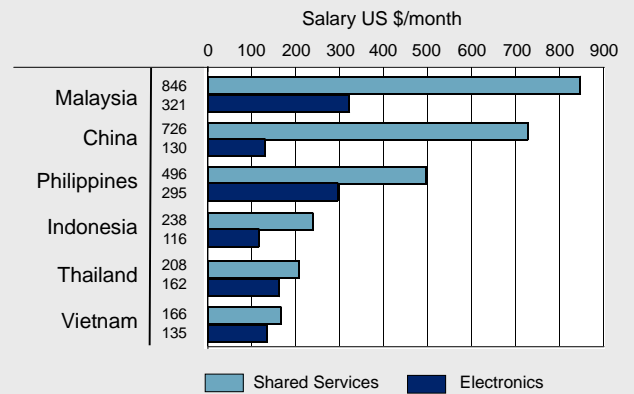
Labour Costs

Labor Costs Unskilled Worker



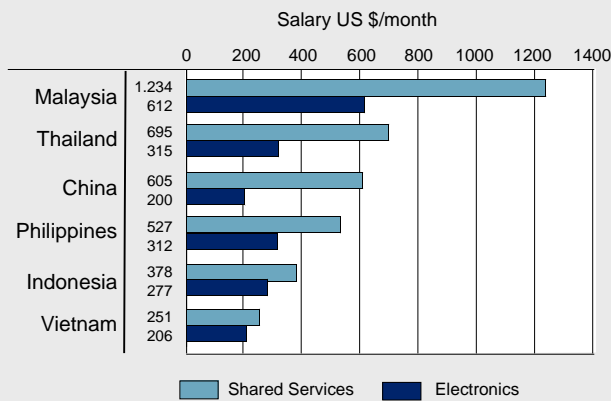
Source: MIGA, 2003

Labor Costs Skilled Worker



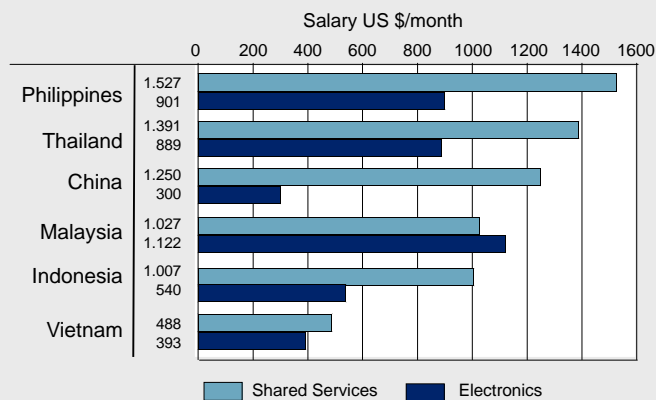
Source: MIGA, 2003

Labor Costs Technical Worker



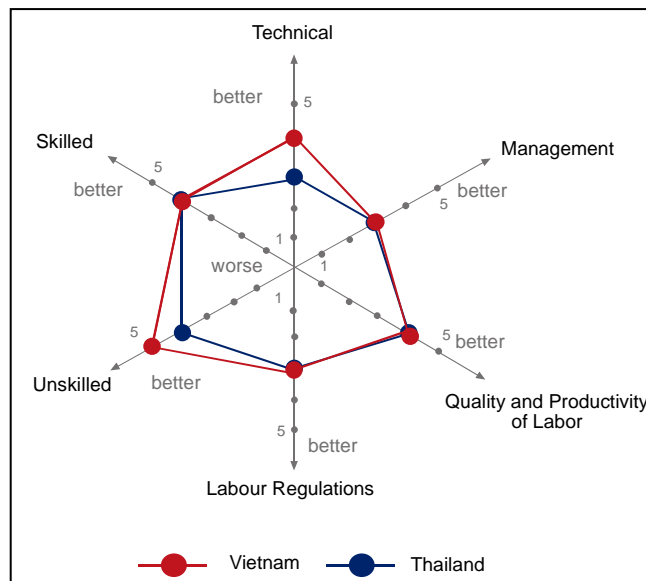
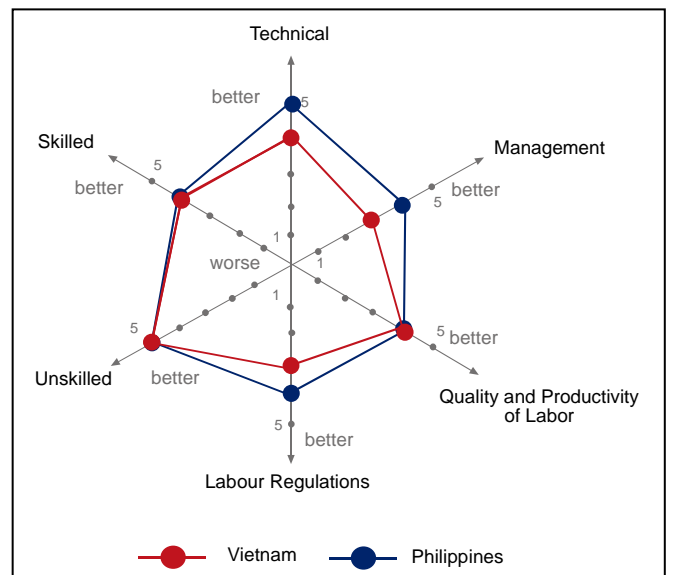
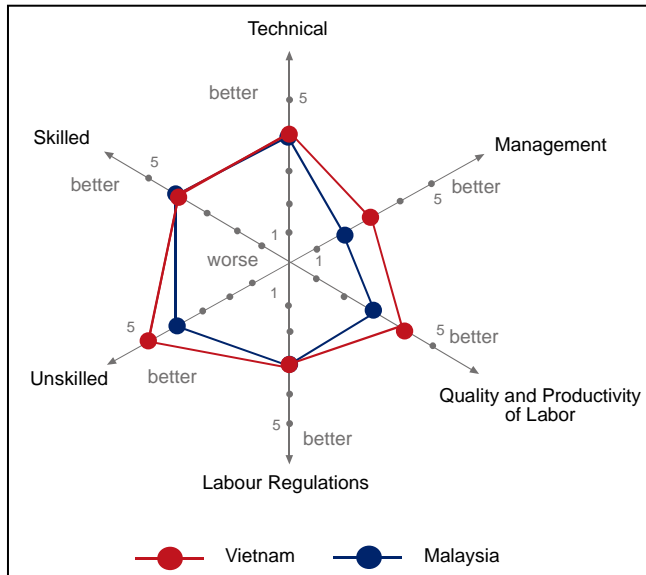
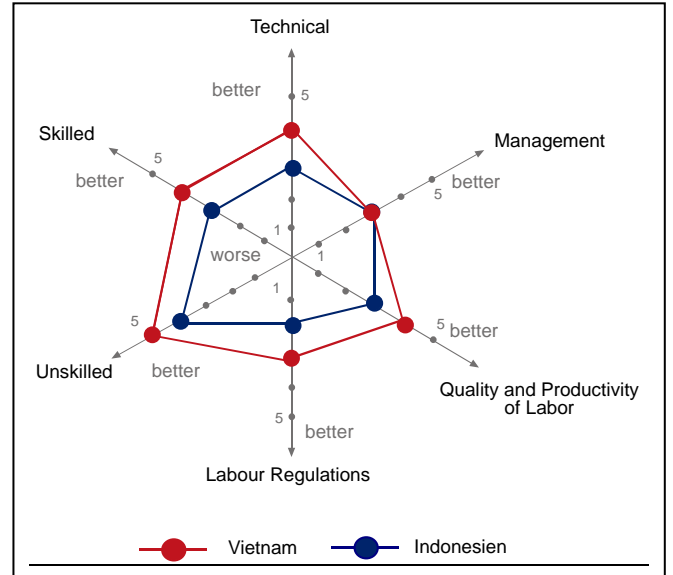
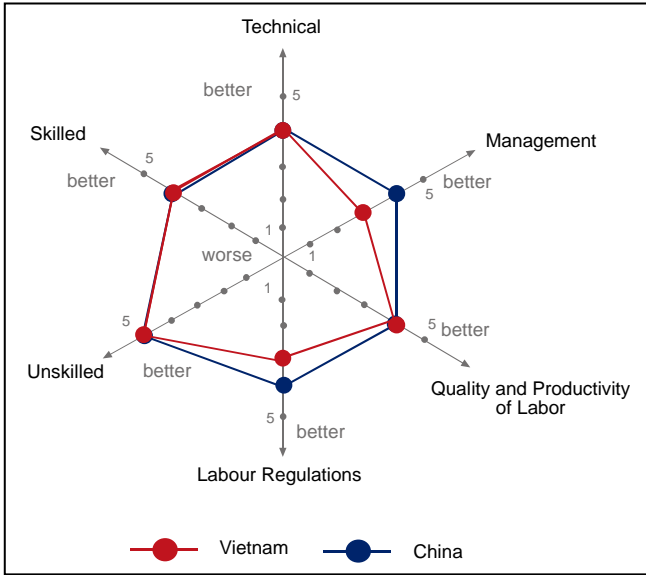
Source: MIGA, 2003

Labor Costs Management



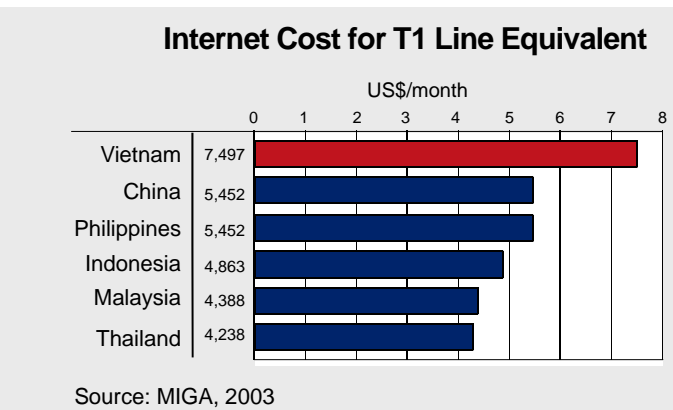
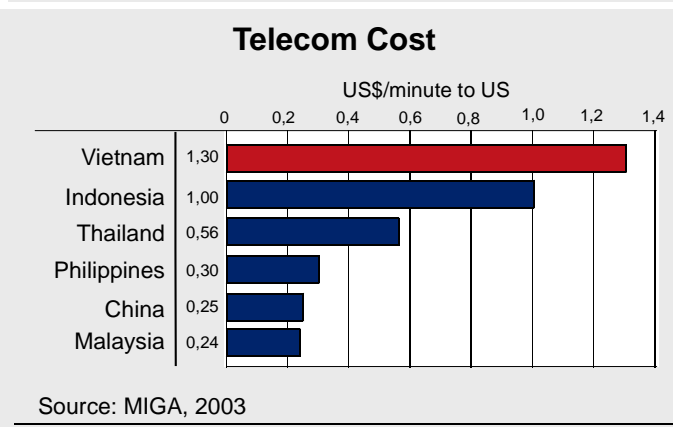
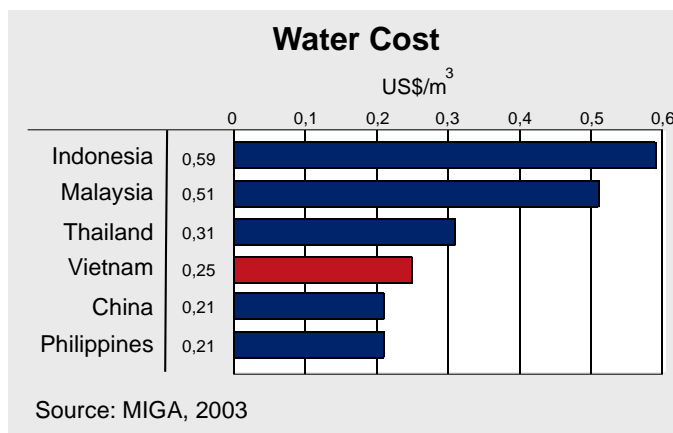
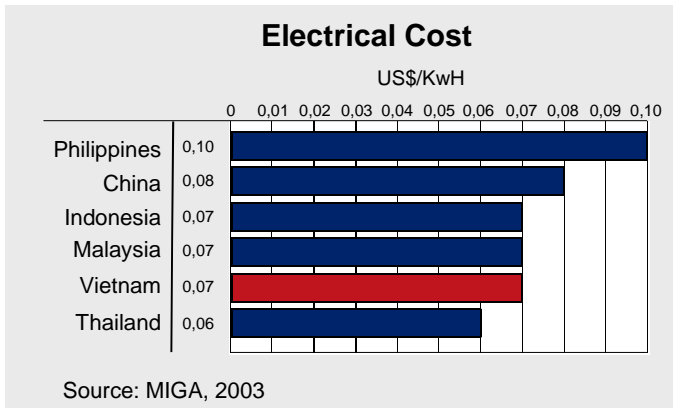
Source: MIGA, 2003

Labour: Regulations, Productivity and Costs

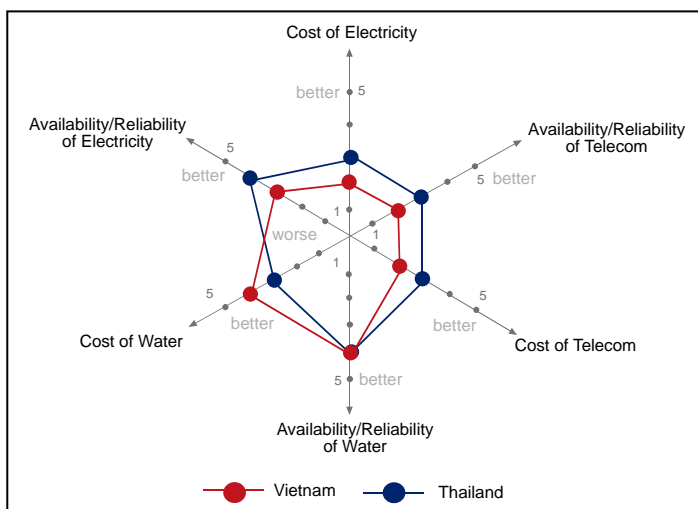
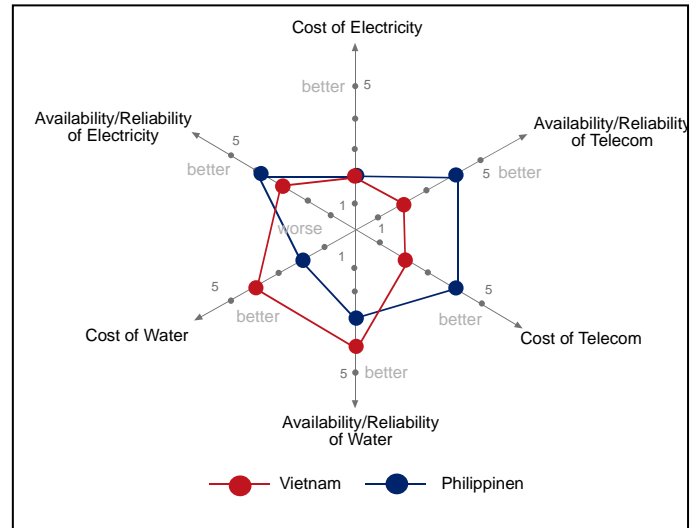
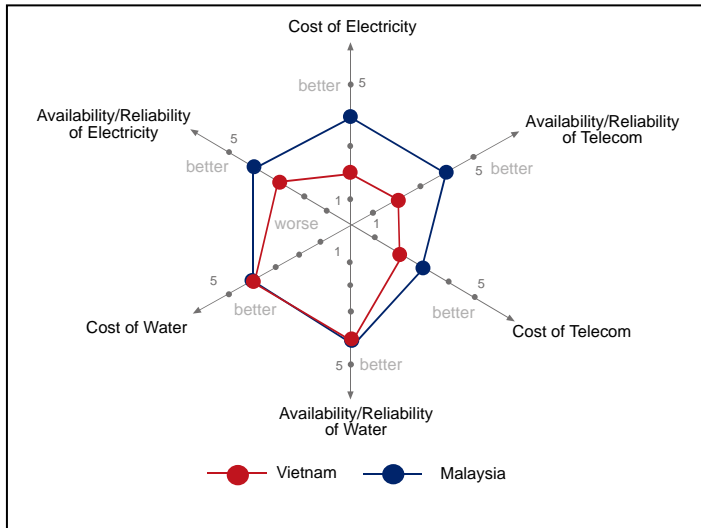
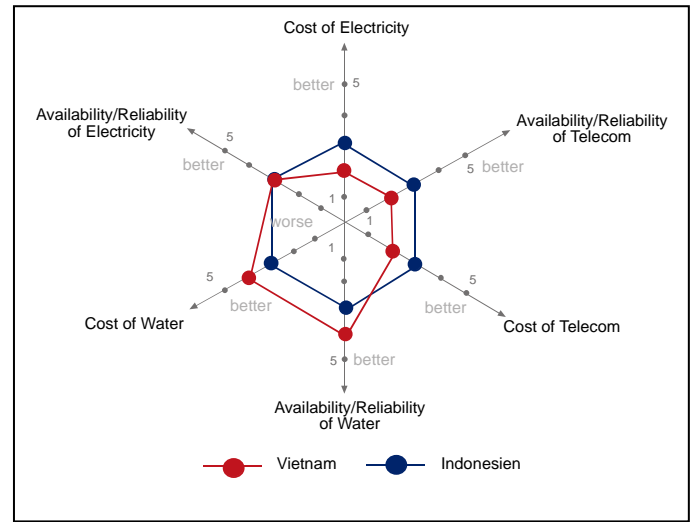
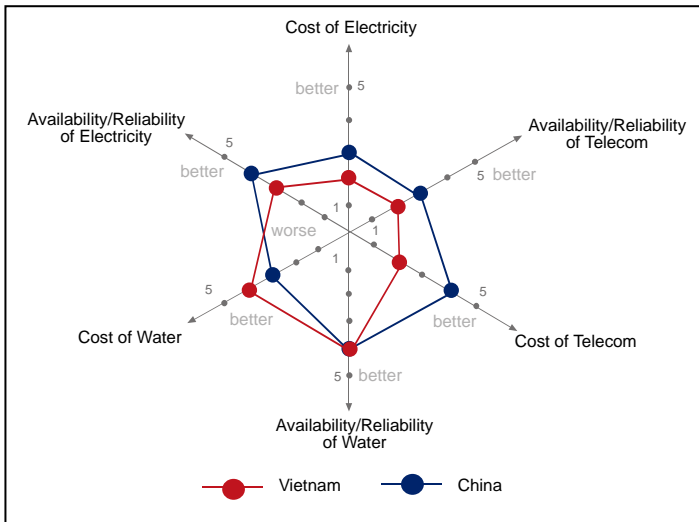


Investors' Sentiments
Source: MIGA, 2003
Charts: Axel Mierke

Utility Costs



Utilities: Regulations, Productivity and Costs



Investors' Sentiments
Source: MIGA, 2003
Charts: Axel Mierke

Corporate Income Tax



Investment & Development Consulting Axel Mierke

We retain consultants specialised in Vietnam who have worked and lived there for several years. We know the country very well and maintain an extensive network in the local and international business community as well as excellent relations to local authorities.

Together with our local service partners we are able to support you in every step of your Vietnam venture.

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