

European companies optimistic about business environment

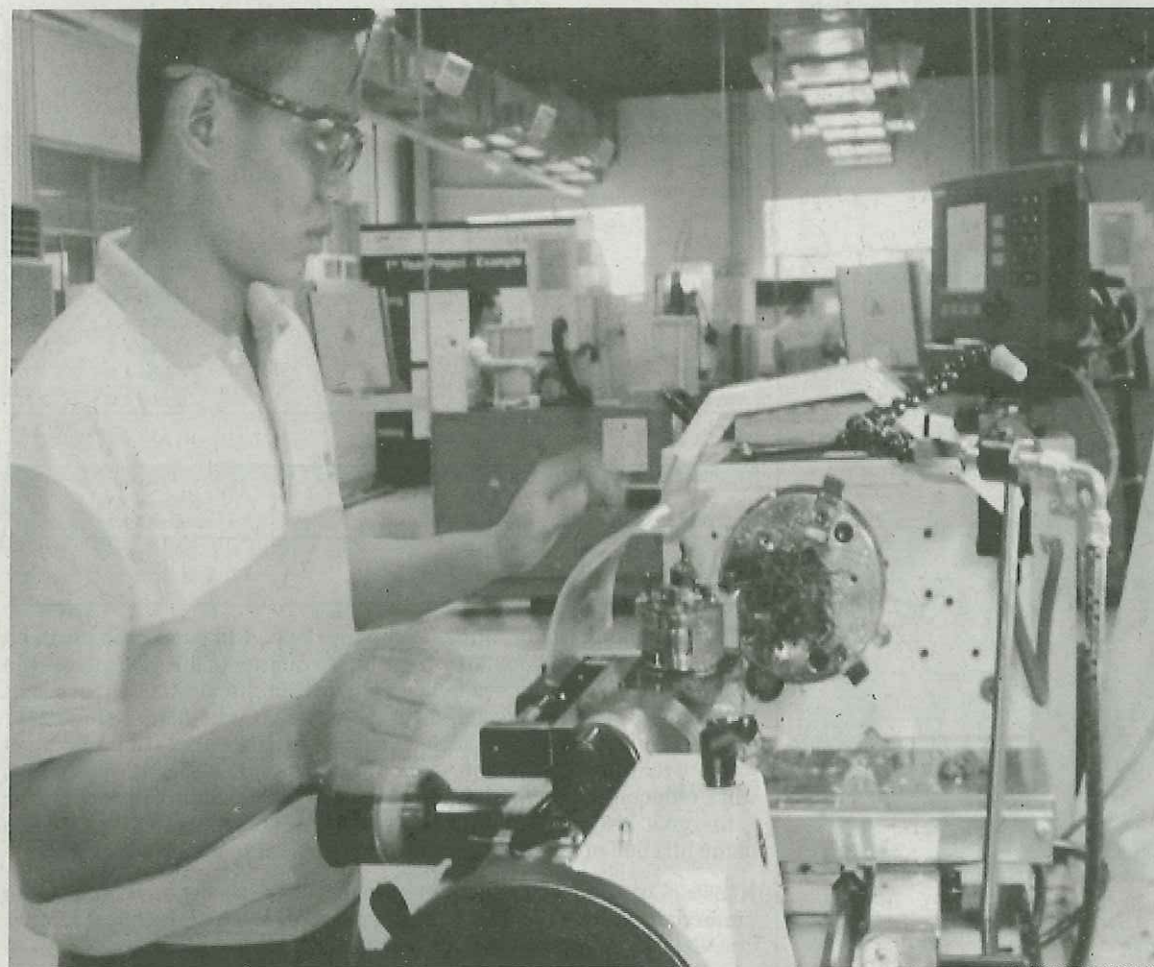


PHOTO: LE HOANG

A worker is seen at a foreign invested company in Vietnam in this file photo. European companies are more positive about doing business in the country

By Le Hoang
The Saigon Times Daily

HCMC - New data from the Business Climate Index (BCI) of the European Chamber of Commerce in Vietnam (EuroCham), released on Wednesday, shows that European companies are more positive about doing business in the country.

This growing confidence in Vietnam's trade and investment environment can be seen in a six-point jump from the first quarter to the second

quarter of 2018. The latest BCI results show that the sentiment of European businesses is at its strongest in 18 months and just two points below the all-time high of Quarter 3 of 2016.

EuroCham members also reported an optimistic outlook on a range of issues, from their own investment and profit projections to workforce levels and Vietnam's macroeconomic outlook. Over 70% reported a positive situation for their enterprise in the last quarter, with 62% describing it as "Good" and 12% as "Excellent."

Looking ahead to the next quarter, 64% believe their business situation will be "Good," with a further 15% answering "Excellent."

EuroCham members are also optimistic about Vietnam's macroeconomic outlook, with 57% predicting "Stabilization and Improvement" for the next quarter, and 34% believing that it will remain static, compared to just 10% anticipating "Deterioration."

Meanwhile, over half (57%) believe that their business will see

either a "Significant" or "Moderate" increase in staff next quarter, with a similar proportion (61%) anticipating either a "Significant" or "Moderate" increase in investment. Over three-quarters of EuroCham members (76%) believe that their orders or revenue will see a "Significant" or "Moderate" increase in the third quarter.

For the first time, EuroCham asked its members for their views on Corporate Social Responsibility (CSR). Just under 9 out of 10 (87%) responded that CSR is important to their business operations in Vietnam. The main motivations for CSR include "Brand Reputation" and "Customer/Environmental Concern."

Commenting on the BCI, Nicolas Audier, co-chairman of EuroCham, said in a statement that these results show once again that European companies and investors remain confident in Vietnam.

"The fact that EuroCham has now reached over 1,000 members - making us one of the largest foreign business associations in Asia - reinforces this positive message and shows that Vietnam is open for business as an attractive trade and investment destination," Audier noted in the statement. He added that "Our data also shows that European companies are sustainable as well as successful. The fact that almost 90% of our members believe CSR is important to their business operations underlines their long-term commitment to Vietnam and its people."

"These results come at an important time for EU-Vietnam relations. The EU-Vietnam Free Trade Agreement should be ratified soon. On the cusp of this historic deal, which will boost trade and investment on both sides, we hope this positive message from EuroCham and its members will inspire the Government to continue opening its markets to foreign investment and improving its trade and investment environment," he stated.

Danang tourism to further tap S. Korea

By Nhan Tam
The Saigon Times Daily

DANANG - The central coastal city of Danang is expected to attract additional tourists from a new source market, Sacheon, a city in South Korea's South Gyeongsang Province, to diversify the groups of travelers from that country.

Speaking at a meeting between representatives of the Danang Tourism Association and Sacheon City early this week, Nguyen Duc Quynh, vice chairman of the steering committee of Danang Hotel Association, noted that the number of South Korean arrivals in Danang City rises by 20%-30% each year.

In addition to multiple South Korean nationals living and working in the city, a score of Korean restaurants have been opened, and the city has seen some Korean residential areas being established. However, the number of South Korean tourists returning to Danang City remains modest.

"Most of the South Korean visitors to Danang City travelled independently and took tours," Quynh said, adding that the expansion to Sacheon City was necessary to foster sustainable growth in the South Korean source market to attract more South Korean travelers, including meeting, incentive, convention and exhibition tourist arrivals.

Sacheon Mayor Song Do-gun remarked that the coastal city of Sacheon features many similarities with Danang City, including beach sports services and activities, ferries and cable car systems. The population of Sacheon now stands at some 120,000, and many of them travel abroad from Busan International Airport.

Song Do-gun also proposed the two cities' Departments of Tourism sign a memorandum of understanding, stating, "We, initially, encouraged the two tourism promotion centers, tour operators and travel firms of both cities to introduce their products and services to each other in preparation for future cooperation."

Huynh Tan Vinh, chairman of the Danang Tourism Association, pointed out that South Korea currently represents some 60% of the total number of international arrivals in Danang City, with over 100 flights operating between Danang City and some localities in South Korea such as Seoul, Busan, Musan, Deagu, Incheon and Jeji.

Data from the Danang Department of Tourism show that of the 2.4 million international arrivals in Danang City over the January-September period, over 1.3 million tourists were reported to have come from South Korea. The remainder came from China, Japan, Asia, Europe and the United States.



PHOTO: NHAN TAM

South Korean tourists at Danang Cathedral in Danang City

Hilton
HANOI OPERA
1 Le Thanh Tong Street, Hanoi, Vietnam.
Tel: (4) 39330 500/55 * Fax: (4) 39330 530

LVtech **Google**
Apps
A Top Google Apps Partner in Vietnam
T: 0908004497 | E: admin@lvtech.com.vn | W: www.lvtech.com.vn