

# EuroCham Vietnam Business Confidence Index

Quarter 2, 2025



**Decision Lab**



# Content

	Introduction	03
	BCI, the macroeconomy, and the business outlook	05
	Vietnam as an investment destination	10
	EVFTA impact on business	15
	Current Events	20
	Methodology	25

# Introduction

The Business Confidence Index (BCI) is a regular barometer of the business sentiment among European companies operating in Vietnam. Because of the active participation of EuroCham members in this survey since 2011, the BCI is seen by decision-makers, media, and business professionals in Vietnam as a key indicator of economic activity in the country.

The BCI consolidates perceptions of European and Europe-related companies operating in Vietnam regarding the state and evolution of the business environment in the country.

Since Quarter 2 of 2018, the quarterly BCI survey has been conducted by Decision Lab, a Vietnam-based market research agency with the mission to deliver agile, connected and decision focused market research. Decision Lab is the exclusive partner of YouGov in Vietnam. We help clients by delivering the best possible basis for decision making. Our value chain is a virtuous circle of a highly engaged online community, powerful analytics technology, delivery of syndicated data products, expert insights and an authoritative media presence.

As the external provider of this survey and reporting for EuroCham Vietnam, Decision Lab guarantees anonymity and confidentiality for all respondents by only providing anonymized and aggregated data to EuroCham.

We don't just collect data, we connect data.

Read more about our services at [www.decisionlab.co](http://www.decisionlab.co)

# About EuroCham Vietnam

Founded in 1998, the European Chamber of Commerce in Vietnam (EuroCham) is the leading voice of European business in Vietnam. With offices in both Hanoi and Ho Chi Minh City, we represent a diverse range of companies, from SMEs to multinational corporations. EuroCham is a key player in shaping policy discussions, promoting trade and investment, and strengthening economic ties between Europe and Vietnam, particularly under the EU-Vietnam Free Trade Agreement (EVFTA).

As one of the largest foreign chambers in Vietnam, with over 1,400 member companies, EuroCham serves as a "chamber of chambers," uniting nine national European business associations. These include:

- Belgian-Luxembourg Chamber of Commerce (Beluxcham)
- Central and Eastern European Chamber of Commerce in Vietnam (CEEC)
- Chamber of Commerce and Industry Portugal-Vietnam (CCIPV)
- Dutch Business Association Vietnam (DBAV)
- French Chamber of Commerce and Industry Vietnam (CCIFV)
- German Business Association (GBA)
- Italian Chamber of Commerce in Vietnam (ICHAM)
- Nordic Chamber of Commerce Vietnam (Nordcham)
- Spanish Chamber of Commerce in Vietnam (SCCV)

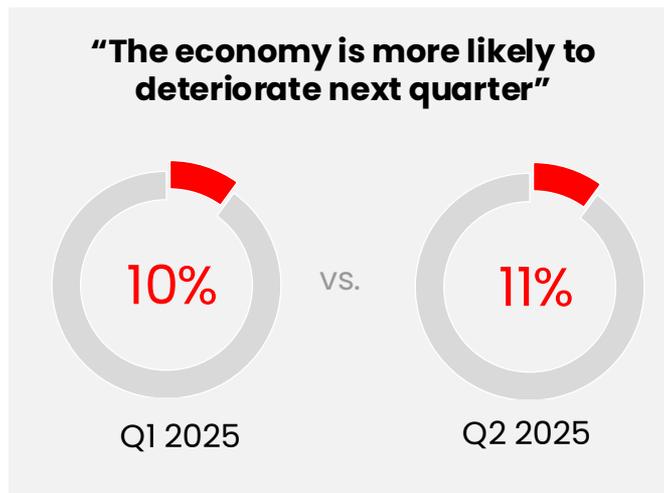
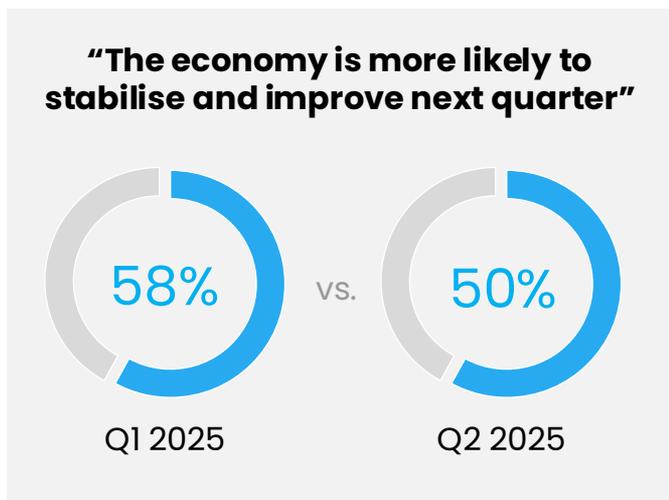
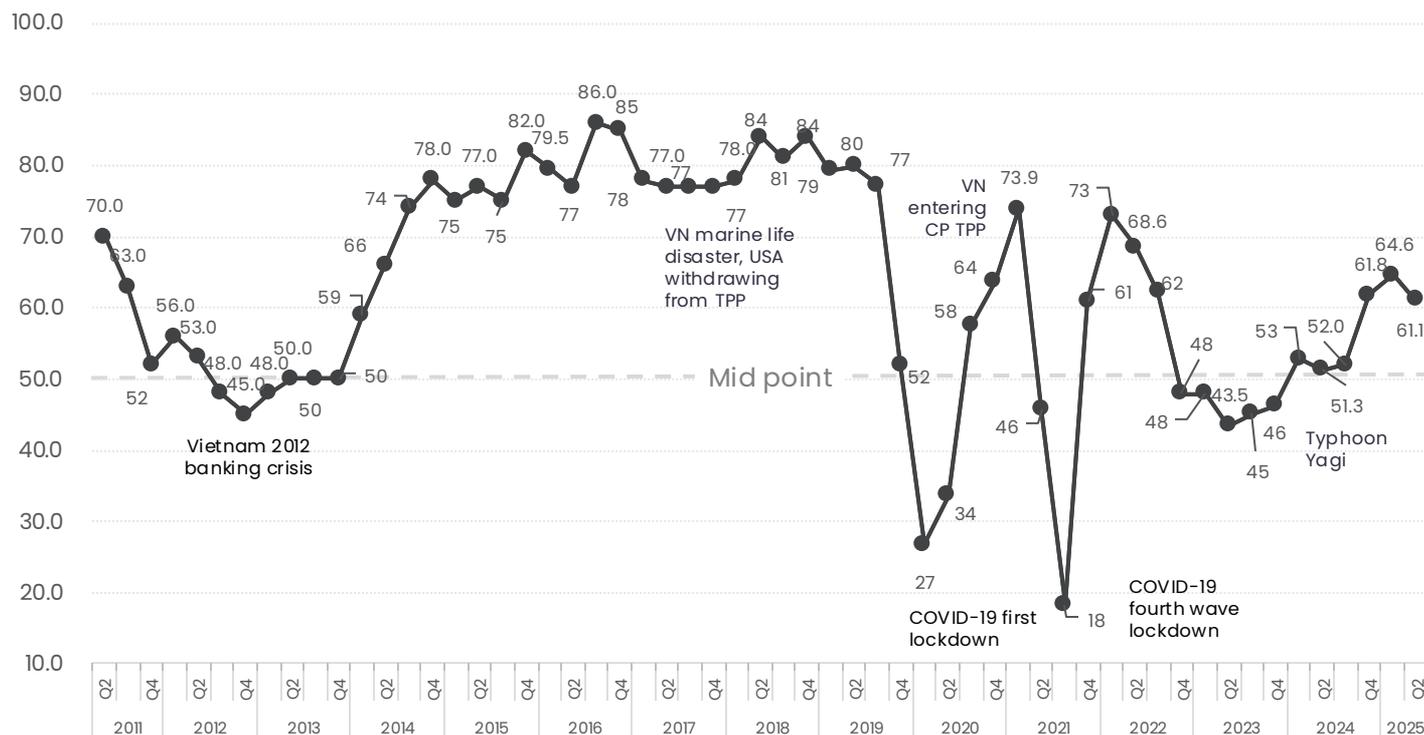
EuroCham's influence is underpinned by our extensive network of 19 specialised Sector Committees. These committees provide expert insights, shape policy recommendations, and foster sector-specific dialogue. This ensures that the diverse perspectives of our members are heard and reflected in EuroCham's broader agenda.

# 01 | BCI, the macroeconomy, and the business outlook



# The BCI plateaus at 61.1, reflecting tempered optimism in a volatile global context

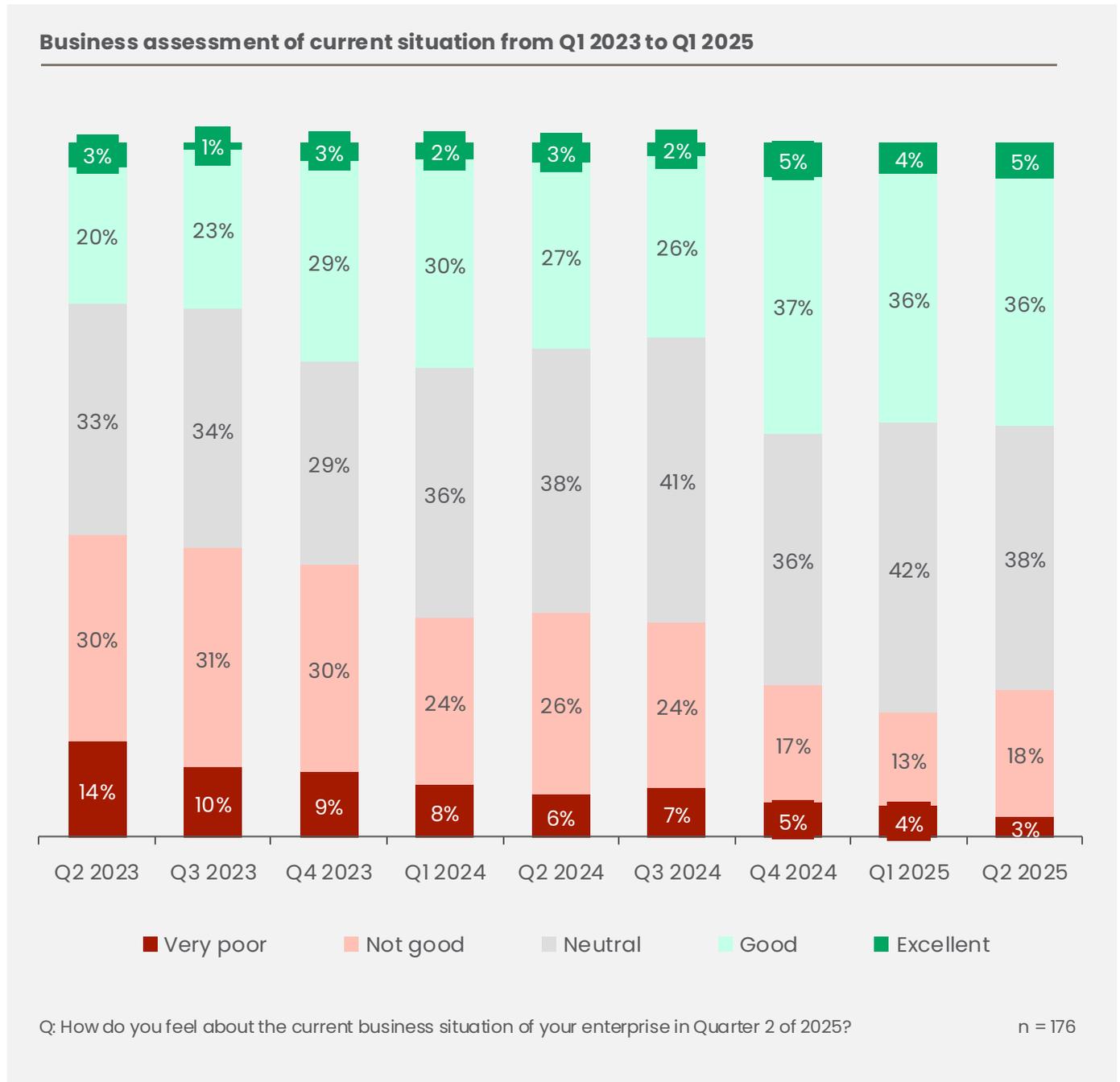
Vietnam’s business outlook has moderated in Q2 as businesses adopt a more cautious stance. While confidence remains solid, lingering uncertainties both globally and domestically are prompting companies to recalibrate their expectations.



The share of companies confident in economic stabilization and improvements has declined (-8 pp), while the proportion of those anticipating challenges has slightly increased (+1 pp), suggesting businesses are adopting a more wait-and-see approach

## Business sentiment remains stable in Q2 2025, though a slight uptick in negative assessments signals rising concerns

Neutrality remains dominant, though it has declined (-4 pp) compared to the previous quarter, while negative assessments have increased (+5 pp). Optimism has remained stable, suggesting that although some businesses maintain confidence, others have grown more concerned.

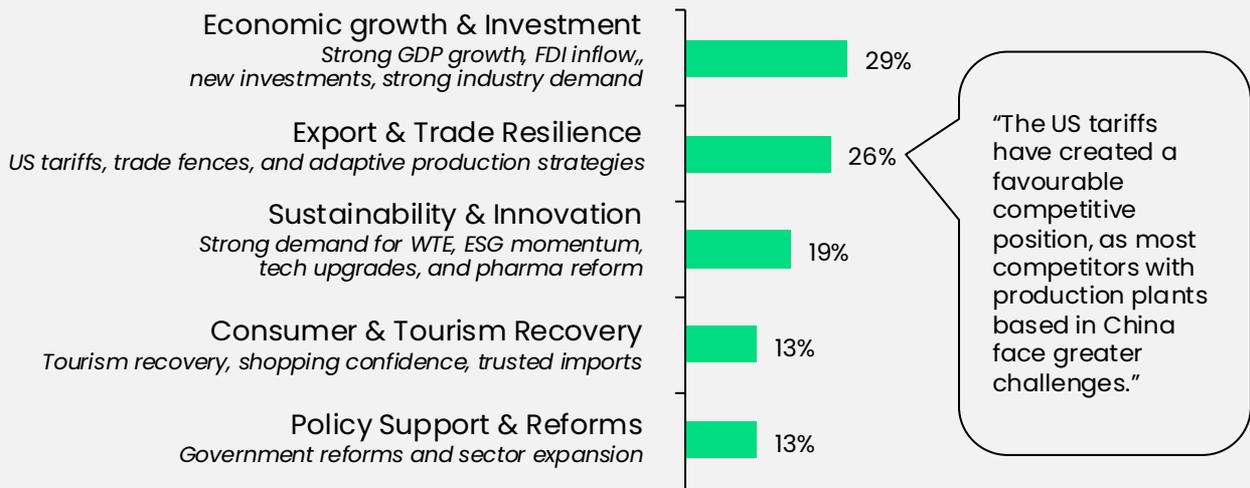


# Both internal market conditions and external uncertainties have influenced business sentiment, striking a balance between optimism and caution

Businesses have maintained confidence driven by economic growth, export resilience, and sustainability momentum. However, US tariffs continue to loom as a major external pressure, contributing to ongoing global trade tensions that persist as notable headwinds to confidence.

## Reasons for positive assessment

(base: respondents answering "Good" or "Excellent" who answer open-ended question)



Q: How do you feel about the current business situation of your enterprise in Q2 2025?  
Q: Could you share what factors or events have most influenced your viewpoint?

n=31

## Reasons for negative assessment

(base: respondents answering "Not good" or "Very poor" who answer open-ended question)



Q: How do you feel about the current business situation of your enterprise in Q2 2025?  
Q: Could you share what factors or events have most influenced your viewpoint?

n=28

(\*) Because some responses mention multiple factors, the total percentage can add up to more than 100%

# While neutrality remains high at 39%, positive outlook still leads, with 43% of respondents indicating a “Good” or “Excellent” view

While growth momentum is supported by strong industry demand, FDI inflows, and tourism recovery, businesses continue to face short-term challenges driven by global trade tensions, US tariff uncertainties, and ongoing domestic regulatory adjustments. The outlook remains cautious as companies navigate these external and policy-related headwinds.

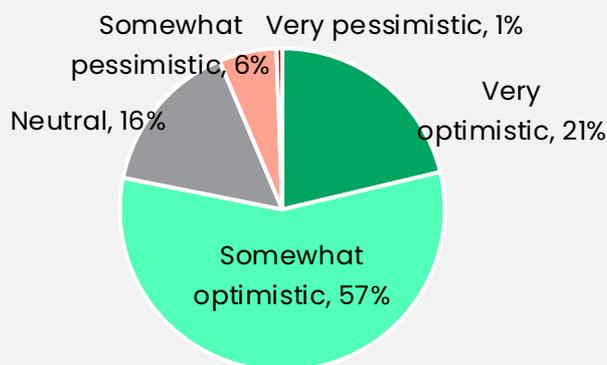
## Business outlook for Q3 2025



Q: How do you feel about the business outlook for your enterprise in Quarter 3 of 2025?

n = 176

## Five-year outlook



Q: Considering the current economic and business climate, how optimistic is your company about its future in Vietnam over the next 5 years?

n = 176

Long-term sentiment remains optimistic, with 78% of respondents expecting growth opportunities. Compared to last quarter, “somewhat optimistic” has increased (+7 pp) while “very pessimistic” has declined (-2 pp), reflecting stronger confidence despite short-term uncertainties.

02 |

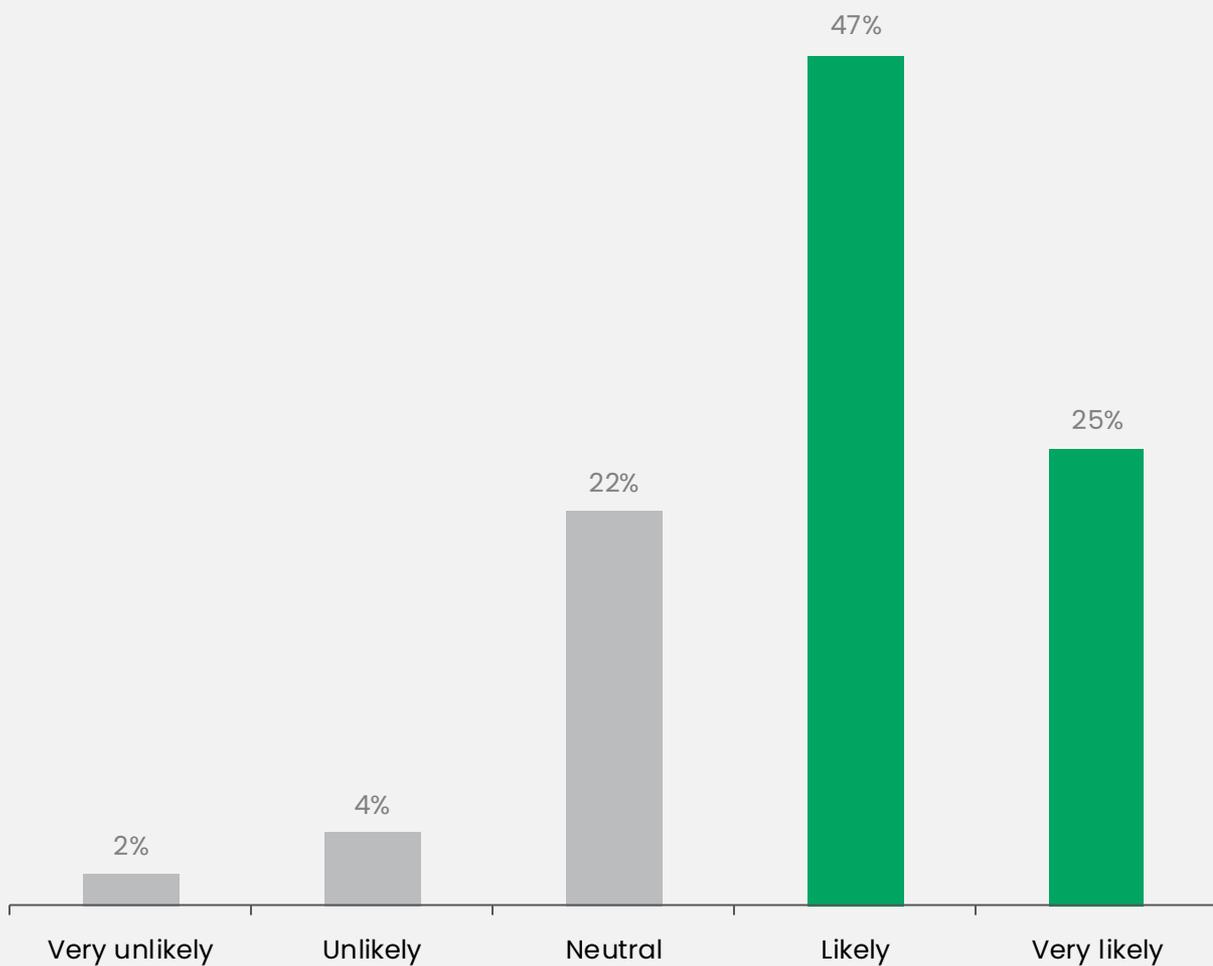
# Vietnam as an investment destination



## Vietnam remains a highly recommended investment destination despite ongoing challenges

72% of respondents are likely to recommend Vietnam as an investment destination, up by 4 pp from the previous quarter, showing solid long-term confidence. However, some remain cautious due to global uncertainties and policy reforms.

Likelihood to recommend Vietnam as an investment destination



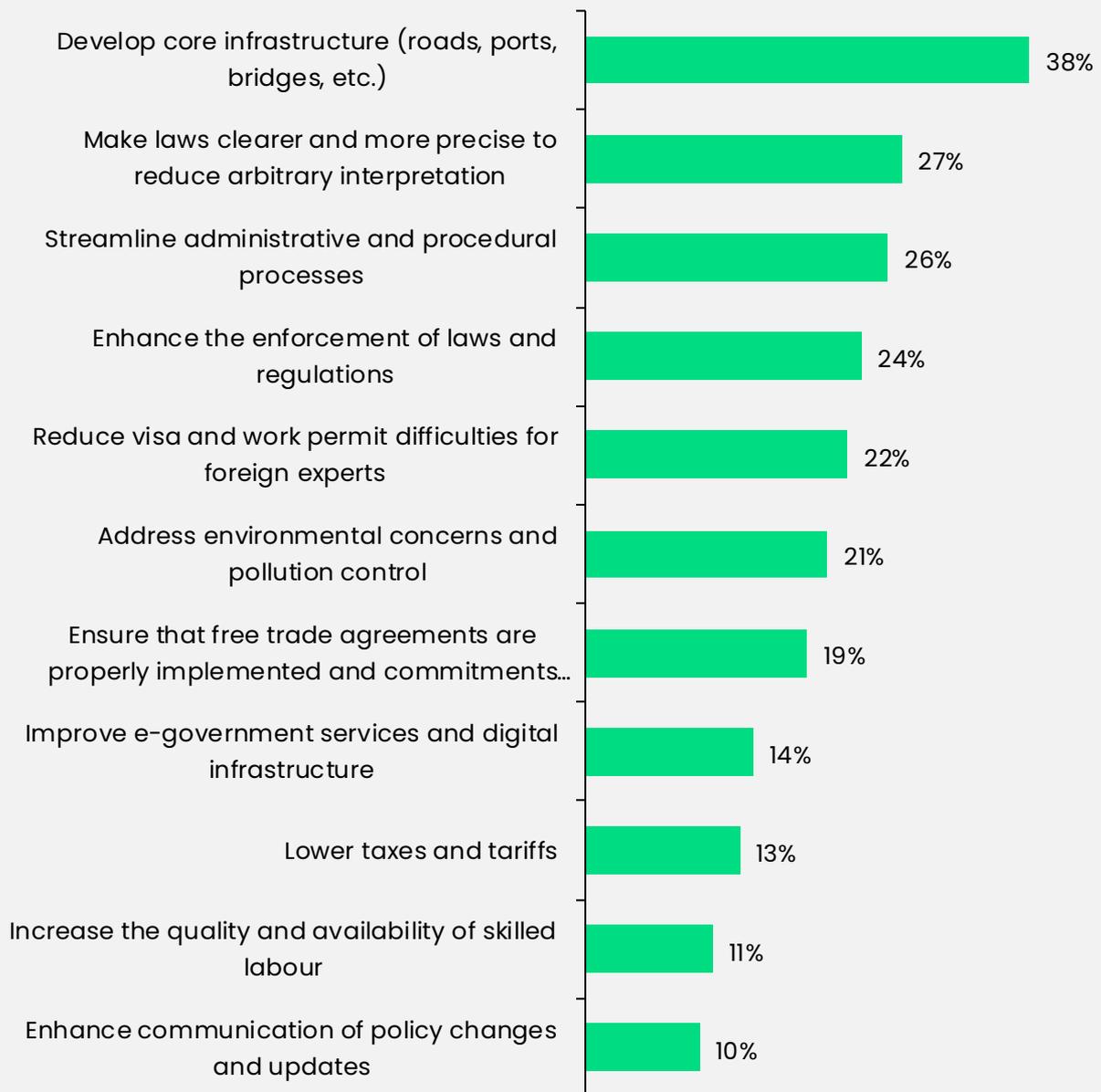
Q: How likely are you to recommend Vietnam as an investment destination to other foreign businesses?

n = 176

# Infrastructure development emerges as top priority to strengthen Vietnam’s foreign direct investment (FDI) attractiveness

Beyond infrastructure upgrades, foreign investors see greater legal clarity, streamlined procedures, stronger law enforcement, and easing of visa and work permit restrictions as key areas that could enhance Vietnam’s competitiveness in attracting FDI.

## Factors to improve ability to attract FDI



Q: What are the three most important factors for Vietnam to improve in order to attract more FDI?

n = 176

## Meanwhile, the most pressing challenges for businesses remain administrative burdens and procedural inefficiencies

In Vietnam, administrative burdens remain the core challenge, but broader structural issues – from inconsistent enforcement to customs and regulatory uncertainty – continue to undermine long-term planning. Additional pressures around talent and infrastructure add to business complexity

### Top 10 obstacles to doing business



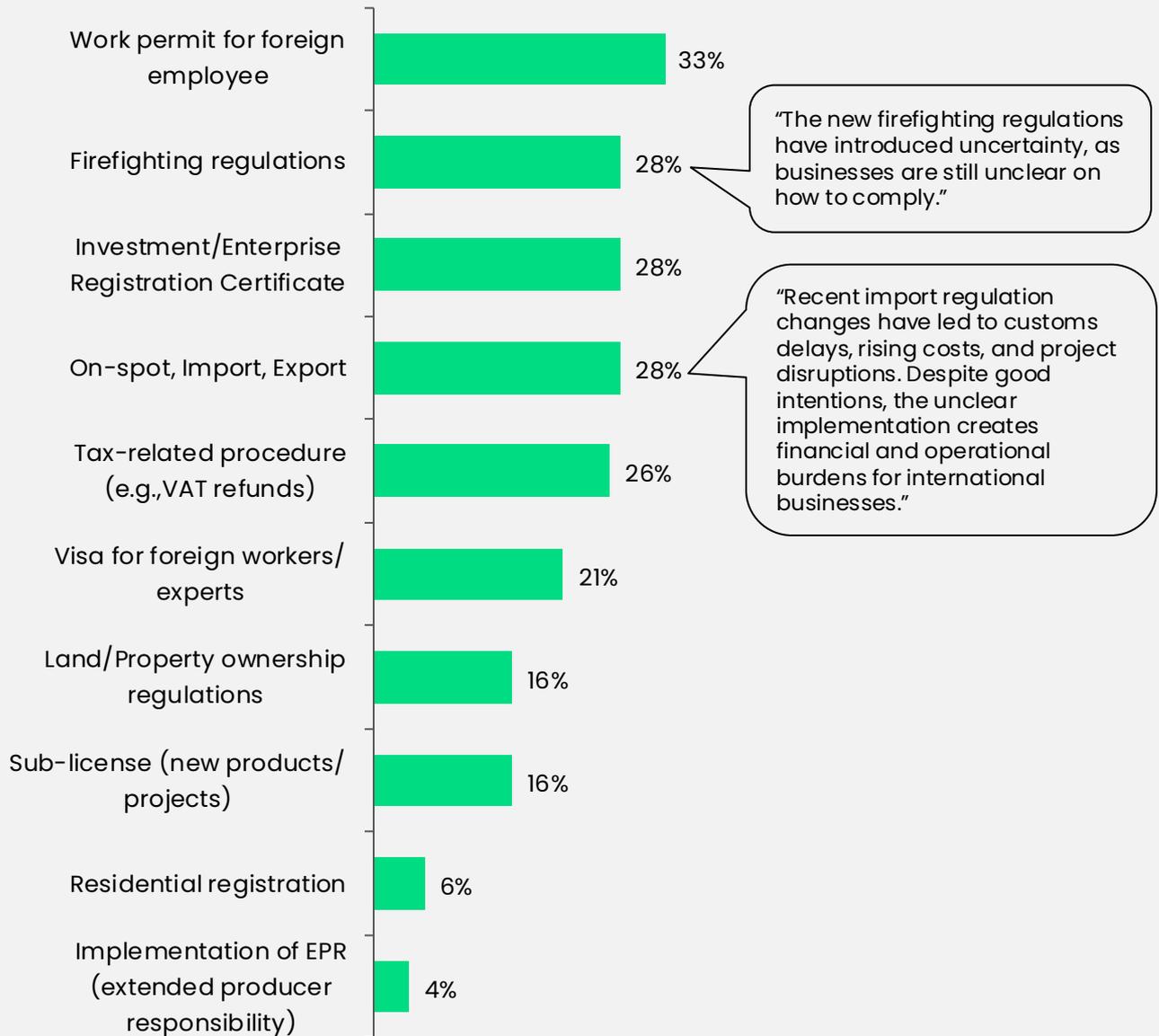
Q: Which are the top three most significant obstacles that hinder your company's performance and operational effectiveness in Vietnam? Please choose up to 3 options

n = 176

## Work permits for foreign employee are the most reported procedural challenges for businesses

Together with work permits for foreign employees, firefighting regulations, investment registration, and import-export activities are among the most frequently cited procedural issues, while tax, visa, and land ownership issues add operational complexity.

### Top 10 pillars to encounter administrative burdens and procedural inefficiencies



Q: In which pillar(s) have you encountered administrative burdens and procedural inefficiencies?

n = 176

# 03 | EVFTA impact on business





**Strong involvement with EU-Vietnam trade:** Two-thirds (66%) of businesses are actively engaged as Vietnam-EU export partners or participate in the supply chain (e.g. logistics, warehousing, distribution professionals) that is related to EU-Vietnam trade.

### Involvement with the EU-Vietnam trade



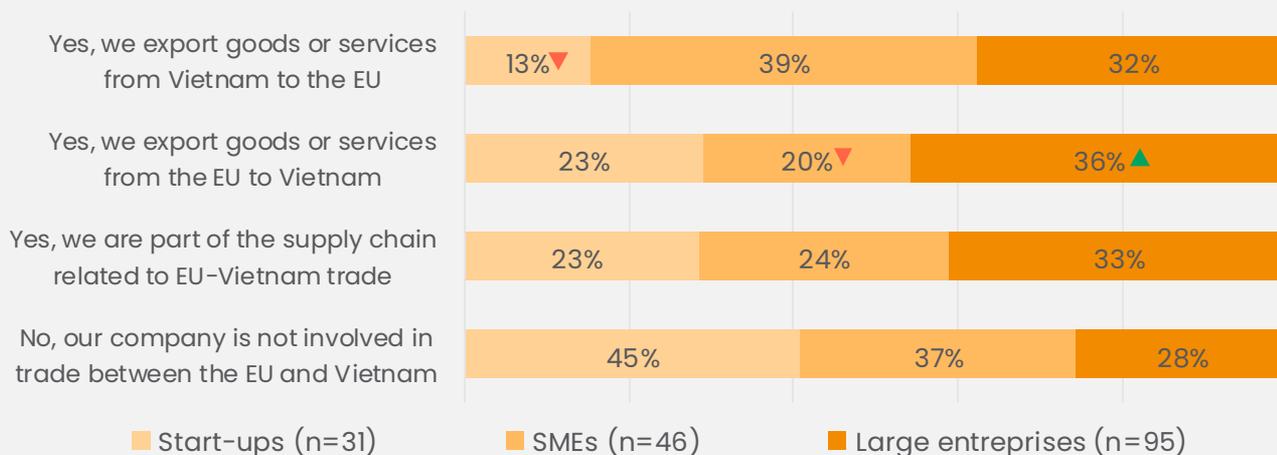
Q: Is your company involved in trade between the EU and Vietnam?

n = 176

(\*) Because some responses mention multiple factors, the total percentage can add up to more than 66%\*

**Large enterprises** demonstrate a higher level of involvement in EU-Vietnam trade, particularly through the export of goods or services from the EU to Vietnam

### Involvement with the EU-Vietnam trade by company scale



Q: Is your company involved in trade between the EU and Vietnam?

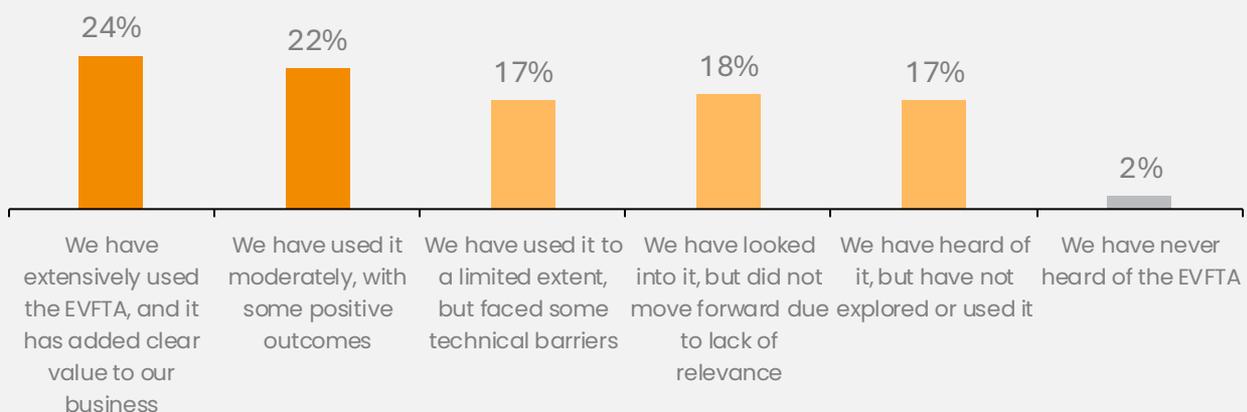
n = 176

## The implementation of the EVFTA is becoming relevant to businesses in Vietnam, with nearly all respondents (98%) aware of it and almost half (46%) making moderate to extensive use of its provisions

The EU-Vietnam Free Trade Agreement (EVFTA) officially came into effect on August 1, 2020, representing a notable change in EU-Vietnam relations. It is designed to change three areas:

- 1. Tariff Reductions:** The EVFTA will eliminate almost all tariffs between the EU and Vietnam. It removed tariffs on ~65 percent of EU exports turnover the moment the FTA entered into force, with the remaining tariffs being phased out over the following decade. Meanwhile, ~71 percent of Vietnam’s export turnover to the EU became tariff-free once the EVFTA entered into force.
- 2. Customs Duties:** Customs duties elimination will be phased out over a period of up to 10 years (by 2027 for the EU and by 2030 for Vietnam). This is designed to benefit both business and consumers in the form of lower prices and greater competitiveness.
- 3. Market Access for EU Service Providers:** In the EVFTA, Vietnam goes further than the World Trade Organization (WTO) in terms of market access granted to EU service providers. Additional (sub)sectors are set to be opened up, giving the EU the greatest possible access to Vietnam’s market. The FTA also contains a ‘Most-Favored Nation’ clause.

### Company’s familiarity with EVFTA



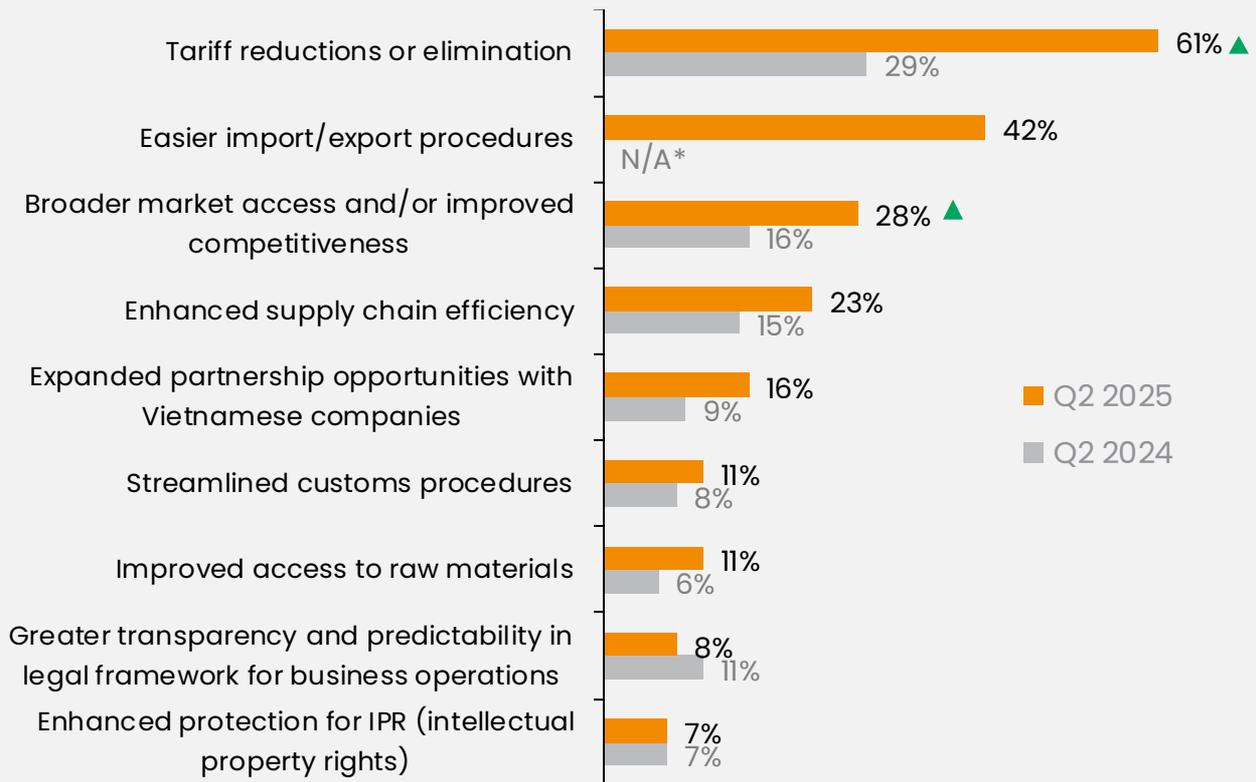
Q: How familiar is your company with the EU-Vietnam Free Trade Agreement (EVFTA)?

n=117

## Overall, there has been a growing trend in the recognition of the benefits that the EVFTA offers to businesses across multiple areas, compared to the previous year

The area of tariff reductions or eliminations has experienced the most notable improvement since Q2 2024, with the proportion increasing from 29% in Q2 2024 to 61% in Q2 2025.

### EVFTA's areas of benefits



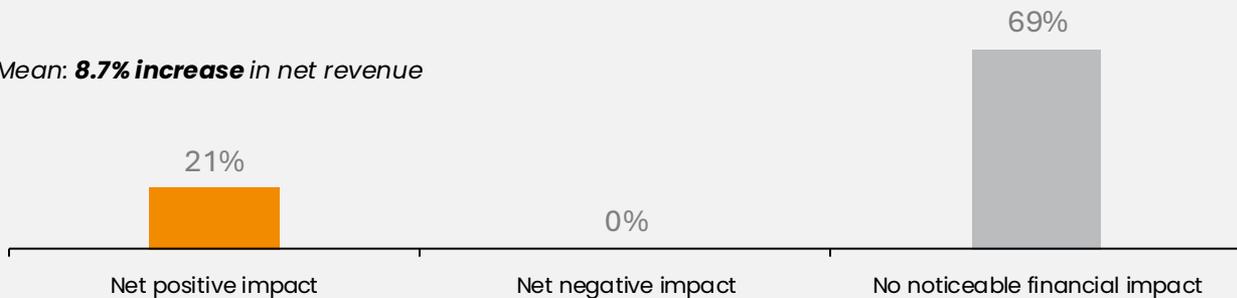
Q: In which areas has the EVFTA benefited your business most?

n = 74

(\* ) The option has been tracked starting from Q2 2025

### EVFTA's benefits on net revenue

Mean: **8.7% increase** in net revenue



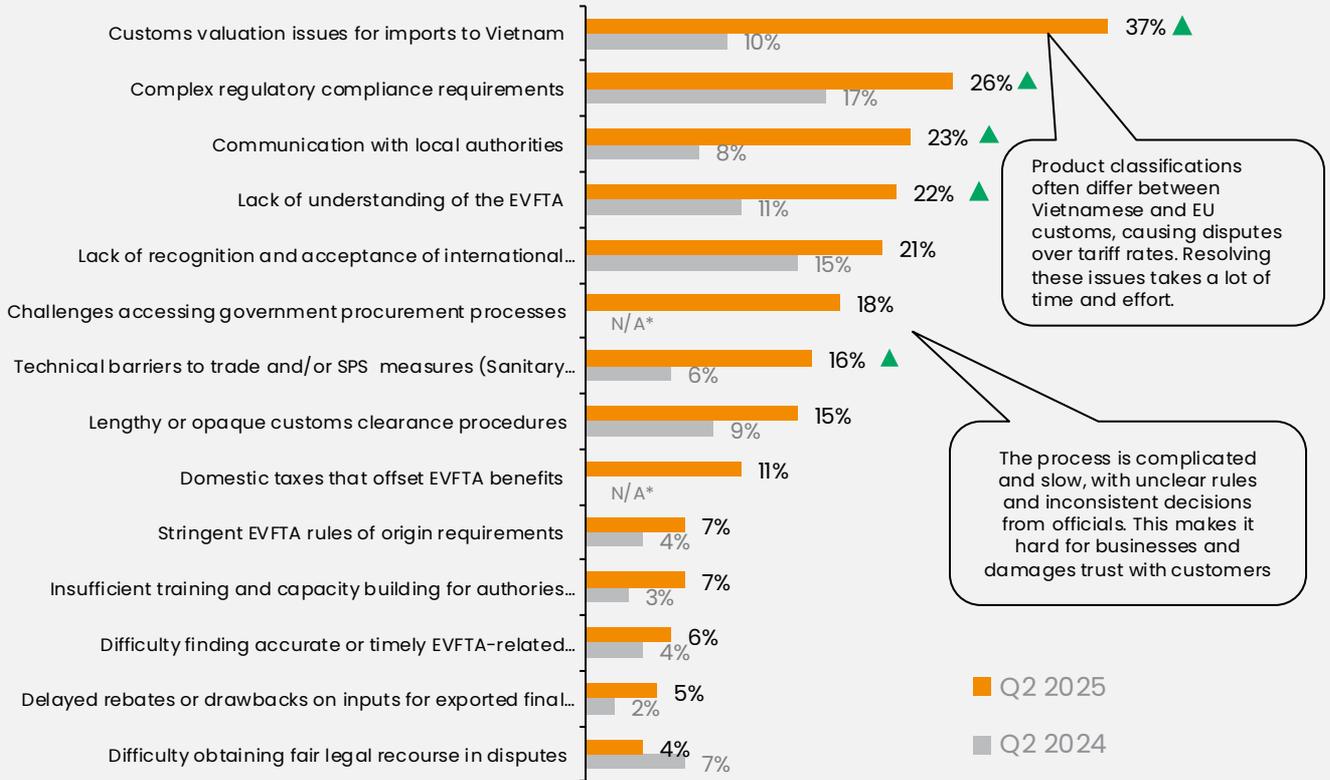
Q: To your best estimate, how has the EVFTA impacted your company's net revenue since it came into effect in 2020?

n = 61

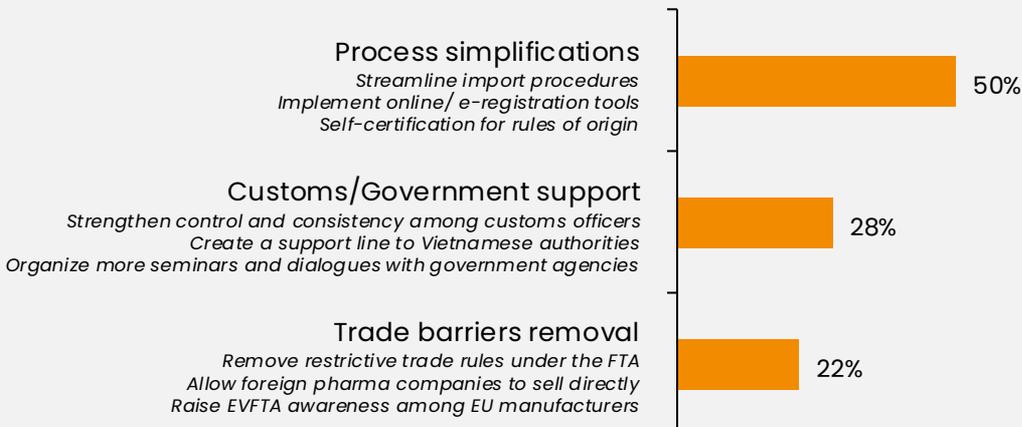
## However, businesses face growing challenges in fully leveraging the EVFTA

The main barriers include customs valuation issues for imports into Vietnam, a complex regulatory framework, and difficulties in communicating with local authorities

### Barriers to hinder EVFTA gains



### Suggests on leveraging EVFTA's support



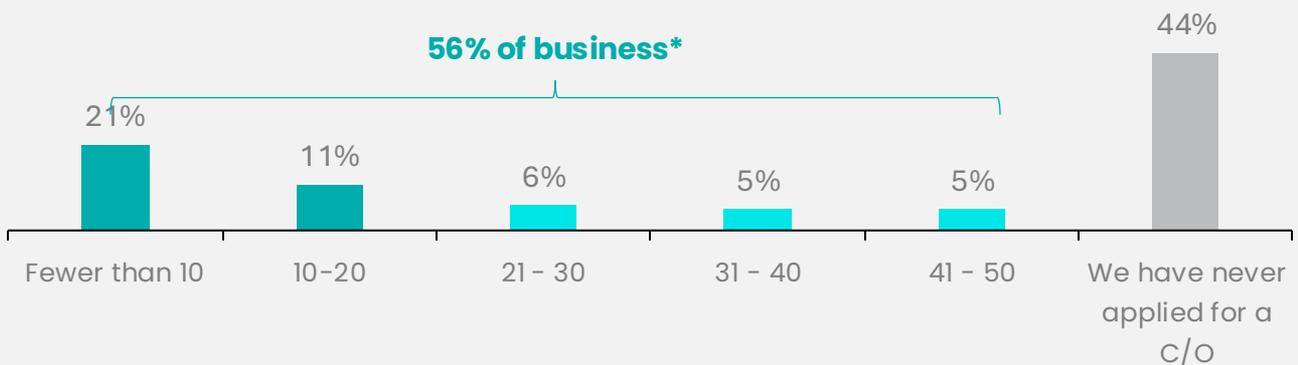
# 04 | Current events



# Certificate of Origins (C/O)

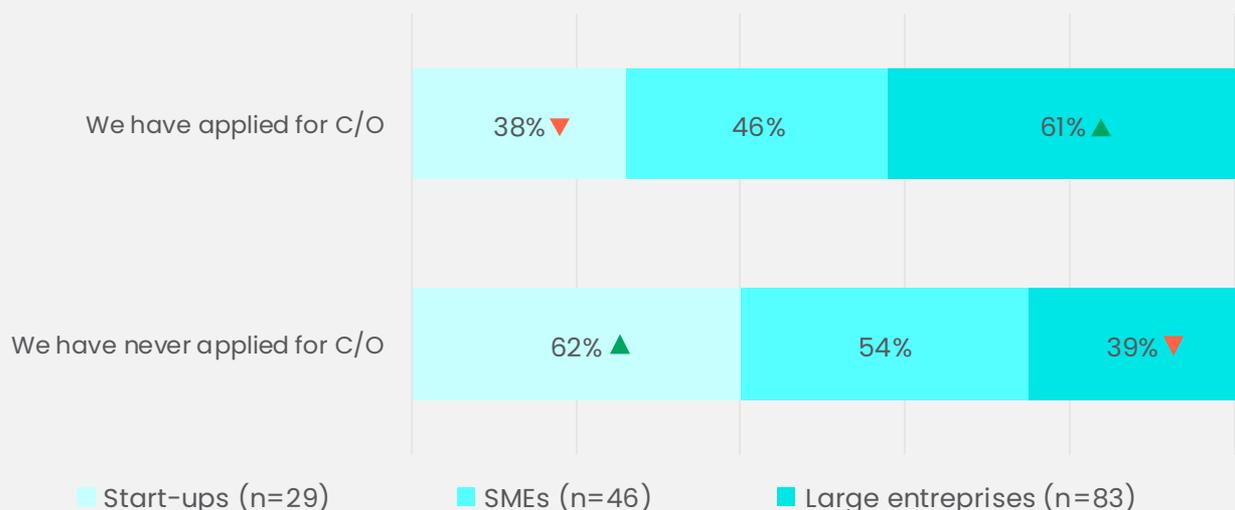
More than **half of businesses (56%)** report submitting Certificates of Origin (C/O) on a monthly basis, with large enterprises significantly more likely to engage in this practice compared to start-ups and small or medium-sized enterprises (SMEs)

## C/O number of applications



Q: On average, how many Certificates of Origin (C/O) applications does your company submit per month? n = 176

## C/O application status by company scale



Q: How would you categorise your company?  
 Q: On average, how many C/O applications does your company submit per month? n = 176

## 04 | Current events

The typical processing time for obtaining a Certificate of Origin (C/O) is approximately 3 to 5 working days.

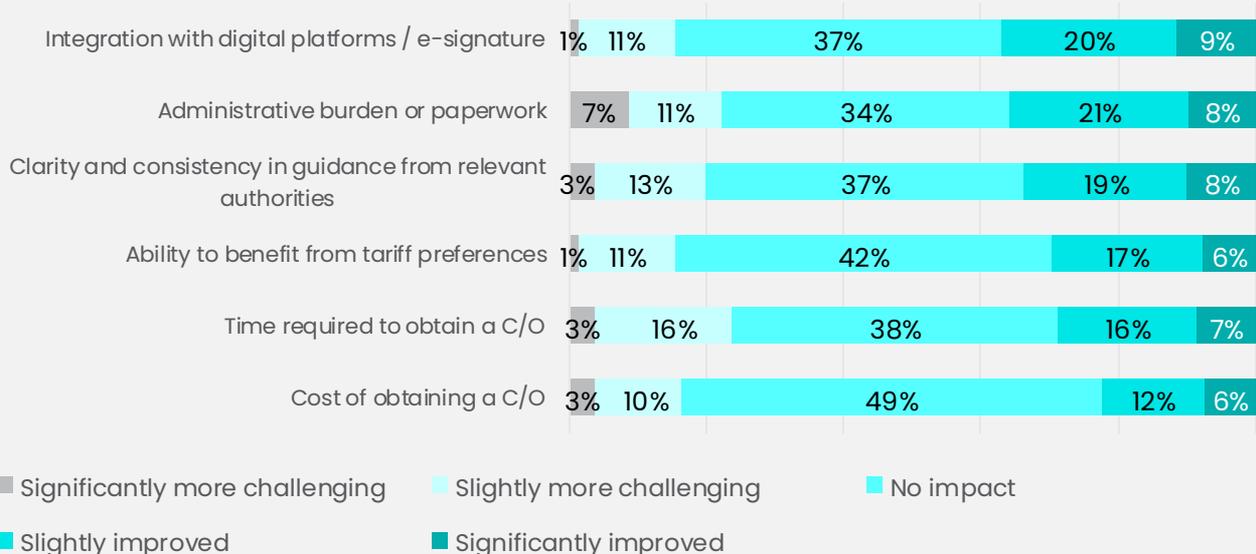
### C/O obtain duration



Q: How much time, on average, does your company currently spend to obtain a Certificate of Origin (C/O)? n = 97

The transition to a fully digital Certificate of Origin (C/O) system is anticipated to yield the greatest improvements in **integration with digital platforms and e-signatures**. This is followed by expected **enhancements in reducing administrative burdens and paperwork**, as well as **greater clarity and consistency** in guidance from the relevant authorities.

### Impact of transition to fully digital C/O system



Q: Since 5 May 2025, the Ministry of Industry and Trade (MOIT) has officially taken over the issuance of Certificates of Origin (C/O), with plans to transition towards a fully digital C/O system. How has this transition impacted, or how do you expect it will impact, your company's export activities?

n = 97

# Global trade development

The outlook for global trade tensions is becoming increasingly pessimistic, as businesses perceive the situation to be more challenging across multiple aspects compared to the previous quarter.

## Global trade tensions impact



Q2 2025 (n=176)

Significantly more challenging | Slightly more challenging | No impact | Slightly improved | Significantly improved

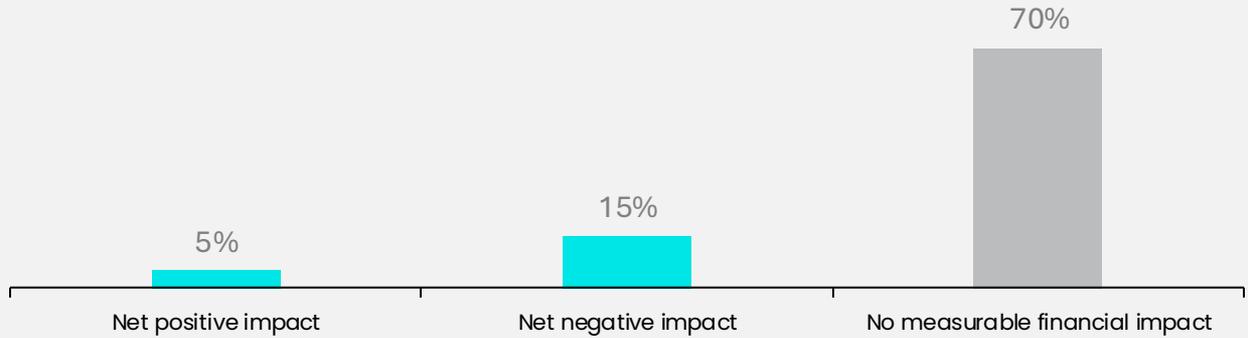
Q1 2025 (n=156)

Significantly more challenging | Slightly more challenging | No impact | Slightly improved | Significantly improved

Q: Given recent geopolitical and economic shifts, how have the global trade tensions affected the following aspects of your business in Vietnam?

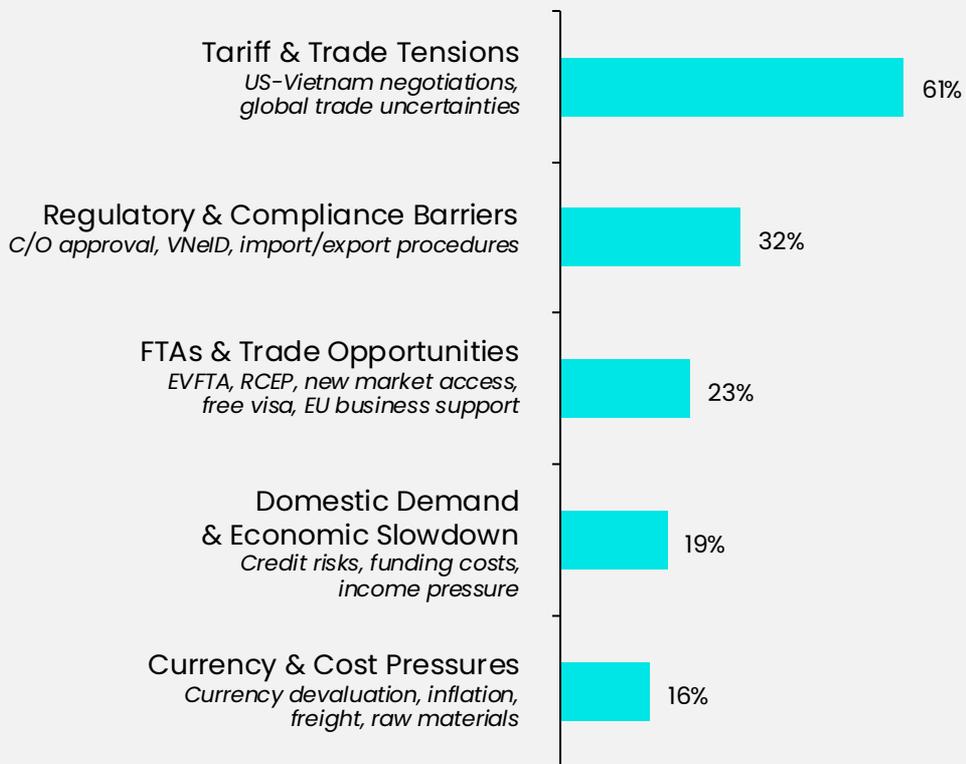
While tariff and trade tensions remain the dominant external concern for businesses (61%), most companies have yet to experience measurable financial impacts. Meanwhile, regulatory barriers, domestic demand risks, and cost pressures continue to add operational complexity

### Global trade tensions financial impact



Q: What is the estimated financial impact of tariff-related disruptions (e.g. penalties, rejections, price renegotiations, new / delayed / cancelled / lost orders) on your company in the first half of 2025? n = 176

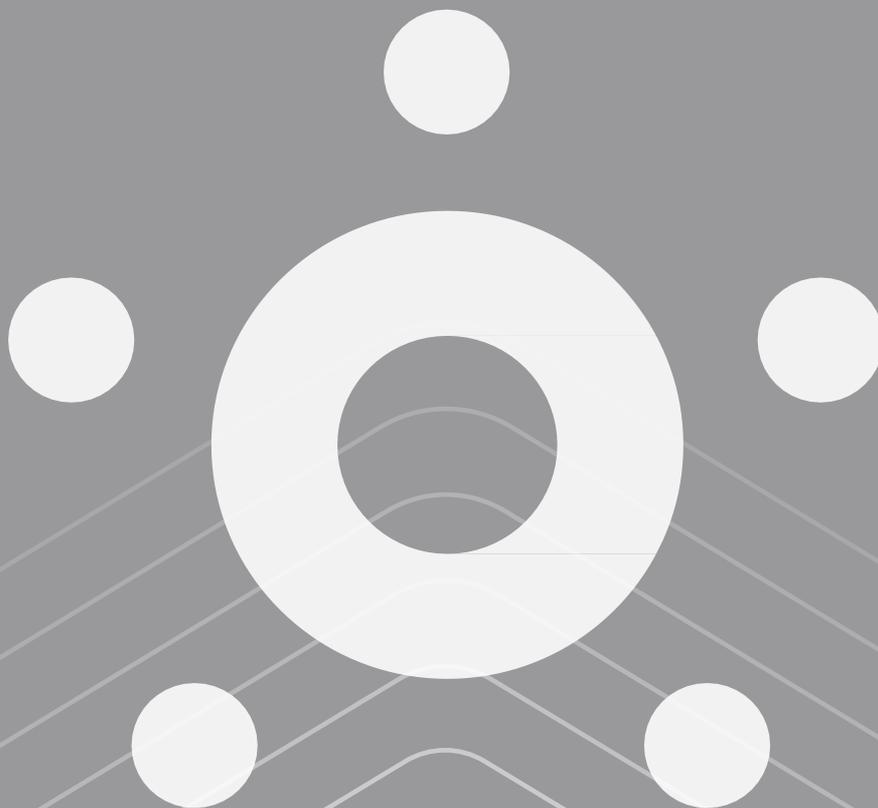
### Global trade development



Q: Considering recent and upcoming global trade developments (e.g. shifting trade alliances, new FTAs, evolving tariffs), what key external factors do you foresee influencing your company's operations in Vietnam over the next 12-18 months? n=31

(\*) Because some responses mention multiple factors, the total percentage can add up to more than 100%

# 05 | Methodology



# Methodology



## Purpose

The purpose of this survey is to collect European business leaders' opinions about their business situations, in order to reflect the state of Vietnam's business environment and help identify any potential changes in the economic climate.



## Research and Data Collection

The survey is conducted using an online questionnaire, scripted and managed by YouGov's surveying and data management platform. The survey is emailed quarterly to business leaders from more than 1,400 EuroCham members. This quarter's survey (Q2 2025) was conducted from 27 May to 16 June 2025.

The respondents typically represent top management from European companies and Vietnamese companies with close business connections to Europe, such as suppliers or distributors. A minority are European individuals working in non-European companies in Vietnam.



## Result

Among the invited, 176 completed the full questionnaire in this round. This represents a response rate of 7.5% which is considered moderately high for a survey amongst the top business executives.

# Reach out to us

---

## **European Chamber of Commerce in Vietnam**

[marketing@eurochamvn.org](mailto:marketing@eurochamvn.org)

[www.eurochamvn.org](http://www.eurochamvn.org)

(+84-28) 3827 2715

5th Floor, Deutsches Haus

33 Le Duan, District 1, HCMC

---

## **Decision Lab**

[decision@decisionlab.co](mailto:decision@decisionlab.co)

[www.decisionlab.co](http://www.decisionlab.co)

+84 28 7101 0199

3<sup>rd</sup> Floor – The Sentry Connect, Sonatus Building

15 Le Thanh Ton, District 1

Ho Chi Minh City, Vietnam

Decision Lab is the exclusive partner of YouGov in Vietnam.