



Viet Nam **COUNTRY UPDATE**

SMEs REPRESENT **95%** OF ALL ENTERPRISES IN VIET NAM ⁽¹⁾

SMEs GENERATE **40% OF GDP** ⁽¹⁾

21%
OF FORMAL ENTERPRISES ARE OWNED BY WOMEN ⁽¹⁾

THE FINANCING GAP IS ESTIMATED AT
US\$1,190,000,000
FOR WOMEN-OWNED SMEs ⁽³⁾

WOMEN-OWNED SMEs BY SECTOR

61.4% OPERATE IN THE SERVICE SECTOR

37.6% OPERATE IN THE INDUSTRY SECTOR

1% OPERATE IN THE AGRICULTURE SECTOR ⁽²⁾

SMEs EMPLOY 50%
OF THE FORMAL WORKFORCE ⁽¹⁾

WOMEN-LED SMEs EMPLOY
43.4% OF WOMEN
COMPARED TO
36.0% BY MEN-LED SMEs ⁽³⁾

THE SIZE OF WOMEN-OWNED ENTERPRISES:

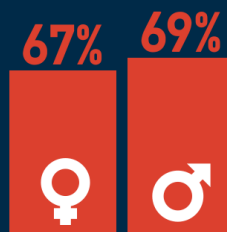
57% ARE MICROENTERPRISES
42% ARE SMES
1% ARE LARGE ENTERPRISES ⁽¹⁾

According to Law No. 04/2017/QH14 of June 2017
A WOMAN-OWNED SME IS DEFINED AS

- **1 OR MORE WOMEN OWN 51% OF ENTERPRISES CHARTERED CAPITAL; AND**
- **A WOMAN IS AN EXECUTIVE DIRECTOR**



INFORMAL SECTOR
EMPLOYMENT BY GENDER



IN VIET NAM, IT TAKES
8 PROCEDURES
AND **16 DAYS**
TO START UP AND FORMALLY
OPERATE A SME ⁽⁴⁾

LAWS AND POLICIES RELATING TO
WOMEN-OWNED SMEs

DECREE No.90/2001/ND-CP
DECREE No.56/2009/ND-CP
LAW No.04/2017/QH14
PROVISION OF ASSISTANCE FOR SMALL
AND MEDIUM SIZED ENTERPRISES ^(2,3)



Catalyzing Women's Entrepreneurship Creating a Gender-Responsive Entrepreneurial Ecosystem



ECOSYSTEM OF
STAKEHOLDERS



FORMALISED
MECHANISMS



EVIDENCE-BASED
PRIORITY ACTIONS

The **national consultation** in collaboration with Agency of Enterprise Development, **Ministry of Planning and Investment (AED-MPI)** as the lead implementation partner, brought together more than 100 stakeholders from across the public and private sector. The national consultation served to map the ecosystem of stakeholders working to advance women's entrepreneurship, and facilitated a diverse dialogue around the opportunities and challenges faced by women entrepreneurs in Viet Nam. In particular, this identified specific areas of policy and advocacy to be focused on to advance women's entrepreneurship in Viet Nam. The press release from the event can be found **here**.

An in-country Technical Advisory Group (TAG) was established. The first TAG meeting chaired by Ministry of Planning and Investment and UN ESCAP witnessed more than **30 representatives from Government ministries, financial institutions and women's associations**, resulting in the formalisation of a multi-stakeholder mechanism for engagement beyond the traditional gender machineries. Key interventions needed in the policy domain to advance women's entrepreneurship were identified. It was agreed that this group will meet twice a year to advance women entrepreneurship agenda in the country.

Building on the contributory and consultative nature of the national consultation, **AED MPI** facilitated follow-up meetings with Viet Nam Association of Small and Medium Enterprises (**VINASME**); Ministry of Industry and Trade (MOIT); and Viet Nam Chamber of Commerce and Industry in Cần Thơ (**VCCI Cần Thơ**), Vietnam Association of Women Entrepreneurs (VAWE); Vietnam Women Entrepreneurs Council - Vietnam Chamber of Commerce and Industry (VWEC); Center for Business Research and Business Support (BSA); Vietnam Women's Union (Department for Women's Economic Development, Department of Information Technology). These meetings provided further context on the specific barriers faced by women entrepreneurs, supporting the development of key evidence-based priority actions for catalyzing women's entrepreneurship in Viet Nam. For example, it was agreed to establish a one-stop digital portal for women entrepreneurs where all relevant information for starting and managing a business is made available, collaboration in policy studies and recommendations; fulfil women-led MSMEs needs with capacity building and services.



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FRAMEWORK FOR CATALYZATION OF WOMEN'S ENTREPRENEURSHIP

ESCAP's partnership with AED-MPI was formalized through a Letter of Agreement (LOA). Leveraging the expertise and network of both partners, the LOA will provide the framework for implementation of activities in Viet Nam. The LOA focuses on three specific areas: **research, coordination and capacity development; monitoring and evaluation; and sub-national consultations.** Example of activities to be undertaken include an **SME Law Assessment**. This will provide an assessment of the opportunities and gaps in the scope and implementation of the SME Law, especially for women entrepreneurs. Secondly, a **monitoring and evaluation framework** with indicators for tracking progress of women MSMEs in Viet Nam will be developed. This will generate the collection and reporting of progress of support policies for women entrepreneurs based on the SME law and ODA initiatives. Research on the impact of COVID-19 on MSMEs and in particular women-led MSMEs, creating a digital portal to enable better access to information for women entrepreneurs and develop specific initiatives to address the psychosocial barriers faced by women-entrepreneurs are also part of the action plan created under the LOA.



BUILDING BACK BETTER

In partnership with AED-MPI, an [assessment of the impact of COVID-19 on MSMEs, especially women-led MSMEs in Viet Nam](#) was undertaken. Utilizing the empirical survey findings and analysis, the study provides clear and actionable policy recommendations to address the impact of and challenges caused by COVID-19 as well as long-term recommendations to address structural constraints and support the MSME sector development in Viet Nam. Generating key evidence-based priority actions for helping women entrepreneurs build back better and continue to further develop a gender-responsive entrepreneurial ecosystem in Viet Nam. A brief infographic summary of the study can also be found [here](#).



PARTNERSHIP DEVELOPMENT

ESCAP is partnering with the E-Commerce Development Centre under the Ministry of Industry and Trade to implement an E-Commerce Training Programme for Women Entrepreneurs. Through this partnership, women entrepreneurs will be provided training on digital marketing; e-commerce business models, planning and management; and the regulatory and policy considerations when conducting businesses online.



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SUPPORT SERVICES

The first **expert group meeting** for prioritizing actions for addressing psychosocial barriers of women entrepreneurs in Viet Nam was organized by AED-MPI, in partnership with ESCAP. Representatives from expert agencies provided a substantive background on women entrepreneurs' psychosocial support needs and constraints, especially pertaining to the sociocultural norms in Vietnam. The information resulting from the EGM and subsequent consultations has resulted in an action plan on the subject. Additionally, the content and resources being developed for the **"Women Entrepreneurship Ecosystem"**, a sub-portal of the **National SME Support Portal** will also include the resources for addressing women entrepreneurs psychosocial support needs.



CAPACITY BUILDING TOOLS

Based on priority actions identified at the "Psychosocial Ecosystem" EGM, a series of online talk shows were organized by AED-MPI in partnership with **KisStartup** and **Vietnam-France Psychology and Psychiatry Institute**. The first talk show on *"Recognizing and Managing Stress"* was streamed by **over 800 people** and served as a capacity building platform to help women identify early signs of stress and manage it in their entrepreneurial lives. The subsequent talk shows on *"Balancing Work and Life"* and *"Psychology Application of Business Management: Leadership Development"* had a combined reach of over **18,000 people**. The talk shows served as a knowledge-sharing platform to help women entrepreneurs cope with limited networks, lack of support as well as balance work and life.



MITIGATING IMPACT OF COVID-19

To address the current impacts of COVID-19 on women enterprises a **"Women Enterprise Recovery Fund: Promoting and Upscaling Digital Solutions for Enhancing Women Enterprise Growth and Resilience"** has been launched. The fund will look to support FinTech and technology providers with up-to US\$ 50,000 in co-funding to bring their solution to market. This will be coupled with technical assistance, mentorship (pitch preparation and advisory services by a range of fund partners), and connection with investors for further loan or equity investment. More information can be found at [here](#).



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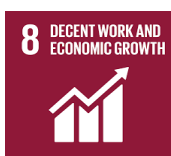
ENABLING ECOSYSTEM

The second TAG meeting, held recently, was chaired by Ministry of Planning and Investment and UN ESCAP and witnessed participation of more than **30 representatives from Government ministries, financial institutions and women's associations** including: Ministry of Industry and Trade; the State Bank of Viet Nam; Ministry of Labour, Invalids and Social Affairs, among others. The meeting facilitated a stock take of the progress made in 2020 and agree on the priorities for 2021. It served as a platform for the stakeholders to identify new partnerships and priorities in different components of the project and promote a further enabling regulatory environment for women entrepreneurs in Viet Nam.

The Programme is active across
SOUTH ASIA, SOUTH EAST ASIA and THE PACIFIC.
With on-the-ground activities in:



(1) GSO 2014 (2) HAWASME and MBI 2016 (3) IFC 2017 (4) The World Bank Doing Business 2020 (5) Law No.04/2017/QH14 (6) WEF 2014



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