

HIGHLIGHTS

Wednesday, 7 Dec 2016

1. Participants briefing

Thursday, 8 Dec 2016

1. Roundtable meeting with Vietnamese business leaders
2. Courtesy call on H.E. Tran Dai Quang, President of Vietnam
3. Dinner hosted by PwC

Friday, 9 Dec 2016

1. Launch of CIMB Vietnam
2. Courtesy visit to Hanoi Stock Exchange
3. Courtesy call on H.E. Tran Tuan Anh, Minister of Industry & Trade of Vietnam
4. Courtesy call on H.E. Nguyen Van Trung, Deputy Minister of Planning & Investment of Vietnam
5. Courtesy call on H.E. Nguyen Xuan Phuc, Prime Minister of Vietnam
6. CIMB International Advisory Panel Gala Dinner

SUMMARY

The ABC-KLBC Business Mission to Vietnam, comprised delegates from Malaysia, Laos, Indonesia, Vietnam, Hong Kong and Japan, kicked off with welcome remarks by Tan Sri Dr. Munir Majid (President, ASEAN Business Club, "TSM"), followed by economic briefings by Dr. Arup Raha (Group Chief Economist, CIMB Group) and Ms. Le Hong Lien (Head of Institutional Research, Maybank Group). Both shared their enthusiasm for Vietnam and its potential as the next ASEAN Tiger premised on its large population, favourable demographics, ability to attract high FDI and growing middle class. Macro challenges as well as key areas of opportunity were also discussed.



TSM welcomes delegates joining the business delegation

The following day began with a Roundtable meeting with over 30 Vietnamese business leaders and graced by Hon. Dato' Sri Mustapa Mohamed (Malaysian Minister of International Trade and Industry, "DSMM"), H.E. Mohd Zamruni Khalid (Ambassador of Malaysia to Vietnam, "MZK") and Dr. Doan Duy Khuong (Vice Executive President, Vietnam Chamber of Commerce & Industry). DSMM remarked that the mission represents the first of future collaborations between Kuala Lumpur Business Club and the ASEAN Business Club. Both sides acknowledged the growing relations between the two countries with trade currently standing at US\$13.4bil and reiterated the **target to achieve up to US\$15bil by 2020**.

DSMM briefed meeting participants on the objectives of the mission to Vietnam; along with its macro outlook, economy, trade size and major local investments by Malaysian firms. Major sectors for collaboration were also identified and proposed including healthcare and education. Q&A sessions proceeded with potential areas of cooperation identified, namely: **IFRS adoption, food exports to Malaysia, intra-regional legal and consulting services, infrastructure development and financing**, as well as **fintech**. The Roundtable meeting concluded with the launch of MITI Hanoi and press conference led by DSMM.



Delegates at the Malaysia-Vietnam Business Roundtable

The second half of the day proceeded with a courtesy visit on the The Vietnamese President, H.E. Trần Đại Quang, who was pleased to hear the recent development in bilateral relations between Vietnam and Malaysia including diplomatic political ties, integration and cooperation in national defense and security. He welcomed the establishment of CIMB Bank Vietnam and further extended a warm hand to the Malaysian business community to do business in the country. The Prime Minister said that both countries have agreed on an action program for 2017 and that commitment is necessary for its successful implementation. DSMM concluded by wishing the Vietnamese government the best of luck as they prepare to host APEC in 2017 and that he looks forward to developing closer ties between the two countries.



Audience with the President of Vietnam at the presidential palace



Delegates posing with DSMM at the presidential palace of Vietnam

Delegates of the mission were also invited to participate at the Bloomberg ASEAN Business Summit. DSMM and Dato' Sri Nazir Razak (Group Chairman of CIMB) both spoke at two separate panels at the conference. The day concluded with a dinner hosted by PwC where guests were also briefed on potential growth areas and industries in Vietnam in the near future.



Delegates at the PwC Vietnam Networking Dinner

The third day of the delegation kicked off with the opening of the CIMB Bank Vietnam office which was graced by DSMM, MZK as well as a representative from the State Bank of Vietnam.



Launch of CIMB Vietnam by DSMM

Subsequently, a tour of the office was conducted where guests were welcomed by the CIMB team. The business mission proceeded with a courtesy visit to the Hanoi Stock Exchange where members were briefed on Vietnam's macro outlook and capital markets.



Delegates at the Hanoi Stock Exchange with the Opera House in the background

The remainder of the day comprised courtesy visits to:

H.E. Tran Tuan Anh, Minister of Industry & Trade of Vietnam

The Minister highlighted how Vietnam would continue to implement strong administrative and economic reforms despite the gloomy economic prospect. He shared that the Vietnamese government expected to see an export growth of 7.5% to 8% in 2016, with bilateral trade between Malaysia and Vietnam achieving a 4.3% growth for the year alone. Malaysia remains among the top investors in Vietnam, comprising up to 48% of all ASEAN investment flows in the country. The Minister suggested that Vietnam and Malaysia should continue to work in three major directions, namely: 1. Sharing of experiences and information in developing human capital catered to industrialization and globalization processes, 2. Start-up companies or innovation in technology in addition to motivating Small-Medium-Enterprises to develop further into the future and, 3. Initiatives related to the ASEAN framework. He added that both governments should work closely in all immigration efforts and other initiatives that both countries are a part of.

TSMM suggested a partnership strategy with Malaysia to Vietnam's Minister of International Trade and Industry where he proposed an increased focus towards the removal of non-tariff barriers in four prioritized sectors - **healthcare, agriculture food, retail and logistics** as well as **e-commerce**. These private sector working groups should be included in the ASEAN Trade Facilitation and Joint Consultation Committee (ATFJCC). DSMM ended the meeting by extending his gratitude to the government of Vietnam for the support given to Malaysian companies operating in Vietnam and reiterated the target of US\$15bil trade by 2020 between the two countries.



Delegates at the Ministry of Industry and Trade of Vietnam

H.E. Nguyen Van Trung, Deputy Minister of Planning & Investment of Vietnam

The Deputy Minister of Planning and Investment of Vietnam, H.E. Nguyen Van Trung highlighted that Malaysia remained Vietnam's seventh largest investor and that the trade volume between the two countries continued to show very strong upward trend in recent years. He added that in 2015 and 2016, Vietnam had ratified several new policies to create and maintain a pro-business climate, including infrastructure reform. Priorities are currently towards projects that are environmentally sustainable. DSMM discussed the value of supply chains for both countries and proposed that Malaysia and Vietnam further enhance their connectivity and linkages. TSMM proposed the idea of Infrastructure Project Listing, for example, where the **listing of Vietnam's infrastructure projects**, including the North-South Express Highway in Vietnam, **on Malaysia's exchange** to boost liquidity and enhance financing, citing Malaysia's experience in such practices.



Delegates at the Ministry of Planning & Investment of Vietnam

H.E. Nguyen Xuan Phuc, Prime Minister of Vietnam

The Prime Minister of Vietnam shared that Vietnam placed a lot of importance on strengthening the strategic partnership between Malaysia and Vietnam, and ushered a new chapter of better cooperation. DSMM added that Malaysian officials had been working very closely with their Vietnamese counterparts in various areas beyond ASEAN such as the Regional Comprehensive Economic Partnership (RCEP) and the Trans-Pacific Partnership (TPP), and expressed hope that the two governments would work even closer together to achieve better economic integration within ASEAN in line with the vision of AEC. He also brought forward the suggestion to continue discussions on the course of action that should be taken in the case where TPP does not materialize.



In dialogue with Prime Minister of Vietnam

The mission concluded with delegates attending the CIMB Gala Dinner in conjunction with the annual CIMB International Advisory Panel Meeting and Opening of CIMB Bank (Vietnam) Limited.



Delegates together with DSMM, Tengku Dato' Sri Zafrul Aziz, President of KLBC and Tun Musa Hitam, Chairman of CIMB's International Advisory Panel at CIMB Gala Dinner