



Australia Vietnam Policy Institute Conference 2024 (AVPI24)

Summary Paper

Embracing transition, transformation and trust:
Exploring the future of the Australia–Vietnam relationship

17 October 2024
Adelaide South Australia



Australia Vietnam
Policy Institute



Australian Government
Department of Foreign Affairs and Trade

Introduction

The Australia–Vietnam relationship has enormous potential. Vietnam is home to one of the fastest-growing economies in the region, a rapidly expanding middle class and a dynamic workforce. Vietnam is undergoing an ambitious clean energy transition and embracing a rapid digital transformation.

The Australia–Vietnam bilateral relationship, built over the last 50 years, is underpinned by trust and understanding. The elevation of the relationship in March 2024 to a Comprehensive Strategic Partnership (CSP) underscores the willingness on both sides to deepen economic, political and people-to-people ties.

The inaugural Australia Vietnam Policy Institute (AVPI) Conference provided an opportunity to examine the evolving bilateral relationship and explore critical and timely issues under the theme ‘Embracing transition, transformation and trust.’

“The world is entering a new era – Vietnam and Australia share a vision of an open and inclusive region with a dialogue of cooperation, trust building and conflict prevention, and the importance of international law.”

–H.E. Mr Bùi Thanh Sơn, Vietnam’s Deputy Prime Minister and Minister of Foreign Affairs

Taking place in Adelaide, South Australia on 17 October 2024, the conference convened leaders from government, business, and academia to address the shared opportunities and challenges that will shape future bilateral collaboration.

The discussions spanned several vital areas, including trade and investment, education and workforce development, sustainability, and technological innovation. Each reflects the broader transitions both nations are navigating in their economies, industries, and strategic outlooks. These conversations also emphasised the importance of trust-building in strengthening bilateral ties while underscoring the transformative potential of joint initiatives in areas such as the green economy and digital integration.

This paper seeks to capture and explore the key themes that emerged from the conference, focusing on how both countries are positioning themselves for mutual growth and resilience, and providing recommendations for policy interventions.



Reflecting conference discussions, the paper is structured around four overarching themes:

1. Economic partnerships that underpin the trade and investment landscape.
2. Education and workforce development, as well as the skills exchange that can benefit both nations.
3. Opportunities that are emerging in the green economy.
4. Ongoing technological innovation.

Together, these four themes illustrate the current state of Australia–Vietnam relations and chart a course for their future, highlighting the importance of transition, transformation, and trust in this enduring partnership.

“We are ready to take the next 50 years together, building on our deep friendship, trust and shared ambition for peace and prosperity in the region.”

–Senator the Hon Don Farrell, Australia’s Minister for Trade and Tourism and Special Minister of State

A key objective of the conference was to equip participants with an up-to-date understanding of Vietnam's political, economic and strategic landscape, and to highlight areas of potential growth and mutual benefit in the Australia-Vietnam partnership.

Vietnam is the third largest economy in ASEAN, with an average compound annual growth rate of 5.22% across the past two decades and a trade surplus of AUD 12.16 billion in the first quarter of 2024.¹ Australia's support for Vietnam's development journey is long-standing, with a further AUD 95.7 million of Official Development Assistance (ODA) committed to Vietnam in 2024-25 to assist in achieving socio-economic goals and delivering critical projects in infrastructure, education, and green energy.²

Australia's bilateral trading relationship with Vietnam is one of Australia's fastest-growing in recent years. In the last two decades, trade between the two nations has more than doubled, with Vietnam now ranking among Australia's top ten trading partners.³ Australia and Vietnam have witnessed an 11% annual growth rate in two-way goods and services trade in 2022-2023.⁴

Growth in two-way trade has been driven in part by shared participation in key trade agreements, including the Comprehensive and Progressive Trans-Pacific Partnership Agreement (CPTPP), the ASEAN – Australia – New Zealand Free Trade Agreement (AANZFTA), and the Regional Comprehensive Economic Partnership (RCEP), which have each strengthened the economic ties between the two countries.⁵

In contrast, the investment story is one of ebbs and flows. The level of Foreign Direct Investment (FDI) from Australia to Vietnam experienced consistent growth until 2019, followed by a significant decline in 2020, which coincided with the COVID-19 pandemic. Since that downturn, investment levels have stagnated and have yet to fully rebound. The current rates of Australian FDI into Vietnam remain below those observed in 2016.⁶

Meanwhile, by the end of December 2023, Vietnam had established 92 investment projects in Australia, with a total registered capital of more than AUD 852 million. Vietnam's investment in Australia (both direct and portfolio) has been exponential, increasing five times between 2008 and 2020.⁸ Vietnamese FDI into Australia reached its peak in 2019, when Vietnamese investors invested more in Australia than in any other country.⁹



I have seen over the course of my career the transformational impact of the various reform agendas and the growth strategies of the Vietnamese Government. It was clear to me that Vietnam was a country on the move. That it was determined. That the people had a vision. That they truly believed that they would go somewhere extraordinary. The scale of what they have achieved is perhaps not what I could have (originally) imagined.

–Robyn Mudie, First Assistant Secretary, Southeast Asia Regional and Mainland Division, Australian Department of Foreign Affairs and Trade (DFAT)

1. General Statistics Office of Vietnam, Socio-economic situation report in the first quarter of 2024, April 2024, <https://www.gso.gov.vn/en/data-and-statistics/2024/04/socio-economic-situation-report-in-the-first-quarter-of-2024/>
2. Asia News Network, Australia commits to increasing development assistance to Vietnam, 2024, <https://asianews.network/australia-commits-to-increasing-development-assistance-to-vietnam>
3. Australian Department of Foreign Affairs and Trade, Vietnam country brief, 2024, <https://www.dfat.gov.au/geo/vietnam/vietnam-country-brief>
4. Professor Peter Draper, AVPI Conference Presentation (refers to Australian Bureau of Statistics data)
5. Vietnam Briefing, Australia-Vietnam trade overview, 2024, <https://www.vietnam-briefing.com/news/australia-vietnam-trade-overview.html/>

6. Professor Peter Draper, AVPI Conference Presentation (refers to Australian Bureau of Statistics data)
7. Nhandan Online. (2023, December). Australia invested over 2 billion USD in 45 provinces and cities in Vietnam. Retrieved from <https://en.nhandan.vn/australia-invested-over-2-billion-usd-in-45-provinces-and-cities-in-vietnam-post133763.html>
8. Department of Foreign Affairs and Trade, Australia-Vietnam Enhanced Economic Engagement Strategy: Overview, <https://www.dfat.gov.au/australia-vietnam/ees/en/strategy/overview.html>
9. Vietnam Times, Vietnamese firms pour over US \$500 million abroad in 2019, Australian market tops the list, 2019, <https://vietnamtimes.org.vn/vietnamese-firms-pour-over-us-500-million-abroad-in-2019-australian-market-top-the-list-17428.html> Australian Department of Foreign

AVPI24 CONFERENCE PROGRAM

Adelaide | 17 October 2024

Time	Session	Presenter(s)
8:45am	Registration open	
9:30am	Welcome remarks	Dr Jana Phan Member, AVPI Advisory Board Director of Stewardship and Sustainability Policy, CropLife Australia
9:35am	Opening remarks	Dr Huong Le Thu Chair, AVPI Advisory Board Deputy Director, Asia Program, International Crisis Group
9:45am	South Australia and Vietnam	The Hon Joe Szakacs MP Minister for Trade and Investment, Government of South Australia
9:55am	A dynamic relationship: Recent developments in Australia-Vietnam relations The Australia-Vietnam relationship, built over the last 50 years, has entered a new era. The elevation of diplomatic relations to a Comprehensive Strategic Partnership in March 2024 has opened the door to enhanced trade, investment, and commercial ties between the two nations. Learn about key developments in the bilateral relationship over the last 12-months and discover how Australian businesses, investors and organisations can engage in the opportunities of this elevated partnership.	Ms Louise Adams Chief Operating Officer, Aurecon Australia's Southeast Asia Business Champion for Vietnam
10:10am	Vietnam's political landscape: Domestic changes and foreign policy impacts Few countries in Asia – or indeed the world – can claim the long-term political stability of Vietnam. But the recent passing of Party Secretary General Nguyen Phu Trong, a key figure in Vietnamese politics for over a decade, has triggered key leadership changes. Notably, To Lam, the former minister for public security, now holds two of the four top leadership positions simultaneously. Will these shifts in Vietnam's political landscape impact how it engages with the world via its “bamboo diplomacy”? This session will offer insights into Vietnam's political structures and explore the implications of these developments for the country's domestic and foreign policy, particularly ahead of the 14th Party Congress in 2026.	Dr Huong Le Thu Chair, AVPI Advisory Board Deputy Director, Asia Program, International Crisis Group

Time	Session	Presenter(s)
10:25am	Opportunities and obstacles: Vietnam's economic outlook Vietnam's export-driven manufacturing sector, strong domestic demand and increasing global economic integration have propelled it to become one of Southeast Asia's fastest-growing economies. Hear about the forces driving Vietnam's robust GDP growth and explore its likely trajectory, including the reforms, global and market conditions needed to guarantee future growth.	Professor Peter Draper Executive Director, Institute for International Trade, University of Adelaide
10:40am	Panel: Vietnam in 2024 With the signing of the long-awaited Comprehensive Strategic Partnership, 2024 has proven to be a consequential year for Australia-Vietnam relations. The panel will discuss recent bilateral, economic and political developments to offer a view on the future of the relationship.	Mr Layton Pike Executive Director, International, RMIT University Ms Louise Adams Chief Operating Officer, Aurecon Dr Huong Le Thu Chair, AVPI Advisory Board Professor Peter Draper Executive Director, Institute for International Trade, University of Adelaide
11:00am	Morning break	
11:15am	Interactive workshop: Shaping the Future: Vietnam's Transition Across Key Sectors This immersive workshop will explore the future of Australia-Vietnam collaboration. As Vietnam's economy surges, it opens up exciting opportunities for Australia across key sectors, particularly in those sectors that align with Vietnam's economic development priorities and growing consumer class. From the green economy to the visitor economy, and the digital economy, this workshop will delve into key sectoral insights and drivers of Vietnam's economic transformation. During this interactive session you will be transported to a future where Australia and Vietnam have forged powerful partnerships. Together, we'll uncover the insights and strategies that will shape our engagement—what will this future look like, and how will we get there? Join us to contribute and shape our future with Vietnam.	Asialink Business
11:15am	Interactive workshop: Australia's Vietnamese diaspora: Harnessing our national asset This interactive workshop will focus on the importance of building trust and mutual understanding, including to help facilitate greater two-way trade and investment, and people-to-people links. Discussion will focus on how to better harness the expertise and connections of diaspora community. Using recent data and research from the RMIT Trade and Innovation Hub and Asia Society Australia, this session will prompt participants to reflect on the role Vietnamese-Australians play across the bilateral relationship. With a constructive mandate to identify practical ways of better engaging Vietnamese Australians, the session will probe how Australia's Vietnamese diaspora can help to advance the bilateral relationship in business, education and government relations.	Asia Society Australia

Time	Session	Presenter(s)
12:15pm	Networking lunch	
1:00pm	Keynote remarks: Governor of South Australia	Her Excellency the Hon. Frances Adamson AC Governor of South Australia
1:10pm	Innovation and impact: Updates from the AVPI network The AVPI's strength lies in its diverse network of Australian businesses, governments, think tanks, not-for-profits, academics and industry representatives committed to advancing the Australia-Vietnam relationship. Discover what three members of the AVPI's national network have been up to over the last 12 months.	Ms Saskia Loer Hansen Deputy Vice-Chancellor International and Engagement, RMIT University Mr Edwin Law Executive Director, AusCham Vietnam Ms Lily Tao Project Lead, Beanstalk AgTech
2:00pm	Panel discussion: Vietnam's economic transformation – where to next? A remarkable economic transformation over the last two decades has established Vietnam as one of the region's most dynamic economies. But in a competitive global economy and increasingly complex region, maintaining this position and avoiding the middle-income trap is far from assured. The panel will discuss the forces behind Vietnam's rapid economic transformation and explore the technologies and other factors key to the next phase of Vietnam's development.	Dr Huong Le Thu Chair, AVPI Advisory Board Ms Robyn Mudie First Assistant Secretary, Southeast Asia Regional and Mainland Division, DFAT Ms Louise Adams Chief Operating Officer, Aurecon Mr Francis Wong OAM Organising Chairman, Australia ASEAN Business Forum
2:45pm	Afternoon break	
3:15pm	The AVPI action agenda: Capturing conference outcomes The AVPI works closely with its partners, network and stakeholders to develop resources, share insights and offer advice to enhance the Australia-Vietnam economic, political and bilateral relationship. Join Australia's Business Champion for Vietnam and AVPI Advisory Board member, Ms Louise Adams, for a wrap-up of the key conference outcomes.	Ms Louise Adams Chief Operating Officer, Aurecon Australia's Southeast Asia Business Champion for Vietnam
3:30pm	Keynote remarks: Australian Government	Senator the Hon Don Farrell Minister for Trade and Tourism and Special Minister of State
3:45pm	Keynote remarks: Government of Vietnam	H.E. Mr Bùi Thanh Sơn Deputy Prime Minister and Minister of Foreign Affairs
4:00pm	Keynote remarks: Government of Vietnam	H.E. Dr Nguyễn Chí Dũng Minister of Planning and Investment
4:10pm	Closing remarks	Dr Huong Le Thu Chair, AVPI Advisory Board
4:20pm	Networking drinks	
6:15pm	Event close	



Economic Partnerships, Trade, and Investment

The economic relationship between Australia and Vietnam is a cornerstone of bilateral cooperation, characterised by growing trade flows, robust FDI, and increasing market diversification.

Strategies like the Australia–Vietnam Enhanced Economic Engagement Strategy (EEES) aim to position Australia and Vietnam as top ten trading partners and double their two-way investment exchanges.¹⁰ The EEES highlights key sectors for cooperation, such as education, agriculture, and digital technology. In parallel, Australia’s Southeast Asia Economic Strategy to 2040 extends these principles across Southeast Asia, with an ambition to foster long-term economic ties and enhance sustainable growth throughout the region, underscoring a commitment to a rules-based global trading system and a collaborative approach to regional challenges.¹¹



Transition in trade patterns and market diversification

Vietnam’s rapid economic development over the past decade has led to a significant transition in trade patterns, positioning the country as a vital player in the global value chain (GVC). GVC-related trade measures the value of goods and services exported by a sector or a country that crosses more than one border. Professor Peter Draper, Executive Director of the Institute for International Trade at the University of Adelaide, commented that Vietnam’s GVC-related trade has surged exponentially, with a 17% annual growth rate between 2007–2022, far outpacing the region’s average of 4.5% growth. Vietnam’s low labour costs, proximity to China, and strong trade agreements make Vietnam a key destination for GVC diversification.¹²

Edwin Law, Executive Director at the Australian Chamber of Commerce (AusCham) Vietnam, noted how key industry sectors like electrical



10. Australian Department of Foreign Affairs and Trade, Australia–Vietnam Enhanced Economic Engagement Strategy, 2021, <https://www.dfat.gov.au/australia-vietnam/eees/en/index.html>

11. Australian Government Department of Foreign Affairs and Trade, Australia’s Southeast Asia Economic Strategy to 2040, 2023, <https://www.dfat.gov.au/southeastasiaeconomicstrategy>

12. Professor Peter Draper, AVPI Conference Presentation



machinery and semiconductors, which dominate Vietnam’s export profile, have seen substantial growth, reinforcing the country’s role as a key node in global supply chains.

These insights were echoed by Louise Adams, Chief Operating Officer at Aurecon, Australia’s Business Champion to Vietnam and AVPI Advisory Board Member, and Robyn Mudie, First Assistant Secretary, Southeast Asia Regional and Mainland Division, Australian Department of Foreign Affairs and Trade. Each reflected on Vietnam’s consistent ability to harness emerging opportunities, particularly in smart manufacturing and digital technologies, and expressed optimism about Vietnam’s future economic growth.

Throughout the conference, speakers agreed that the CPTPP and RCEP trade agreements are key frameworks facilitating this diversification,

offering both nations expanded access to each other’s markets and the broader Southeast Asian region. As Vietnam continues to develop its semiconductor industry and invests in digital transformation, Australia is well-positioned to provide the critical resources, knowledge, and technological expertise required for these industries; a sentiment reinforced by Vietnam’s Minister of Planning and Investment, Dr Nguyễn Chí Dũng.

“There are very few quick wins, but if you’re in it for the long term, then you may see greater successes.”

– Layton Pike, Member, AVPI Advisory Board and Executive Director, International, RMIT University



Trust-building through transparent trade and investment policies

Building trust through transparency emerged as a central theme in discussions around trade and investment. Vietnam's ongoing efforts to improve governance and legal frameworks were highlighted as essential to creating an investor-friendly environment. Ms Adams reinforced the impact of these reforms, noting that while they may have slowed investment momentum, in the long term, the reforms would strengthen Vietnam's reputation as a trustworthy partner in the region. Ms Adams pointed out that clear, transparent policies were critical to sustaining long-term investment, particularly in sectors where Australia has a comparative advantage, such as renewable energy and infrastructure.

Ms Mudie highlighted the importance of policies that promote equitable poverty reduction across industries, ensuring inclusive economic participation for all. Programs like the "GREAT," Gender-Responsive Equitable Agriculture and Tourism program were cited as examples of impactful efforts, demonstrating how targeted support can drive economic empowerment and accessibility across communities.¹³

The challenge is to build the capabilities and connections required to seize the opportunities available and remove the barriers, real and perceived, to doing business with Vietnam.

- H.E. The Hon Frances Adamson AC, Governor of South Australia



13. Australian Embassy in Vietnam, Gender Responsive Equitable Agriculture and Tourism (GREAT) Program, 2019, https://vietnam.embassy.gov.au/files/hnoi/01%20201907%20GREAT_Aus4Equality%20EN.pdf



Transformation through sustainable trade practices and sectoral innovations

Sustainable trade practices and the pursuit of sectoral innovation are increasingly driving transformation in the Australia-Vietnam economic partnership. As Vietnam continues its green transition, aiming to generate 30-39% of its energy from renewable sources by 2030, both countries recognise the need to innovate across key sectors, including agriculture, clean energy, and technology.¹⁴

An emphasis on sustainability and innovation is emblematic of the broader transformation occurring in Vietnam's trade and investment landscape. Both countries are prioritising high-tech agriculture and sustainable farming practices to ensure food security and reduce environmental impacts.¹⁵ Vietnam's interest in leveraging Australian innovation in agricultural technology (AgTech) to improve yields and

promote clean agricultural products was noted as a critical area for growth by Lily Tao, Project Leader, Beanstalk AgTech.

The digital economy was also identified as a key area of potential growth and transformation, with both nations investing in e-commerce, financial technologies (FinTech), and digital infrastructure. For example, Vietnam's rapid adoption of cashless payments and mobile banking, powered by platforms like MoMo, ZaloPay, and VNPAY, underscored the country's commitment to a digital-first economy. Originally launched with bold targets toward 2025, Vietnam's National Digital Transformation Program and Australia's role as a technological partner will be crucial in driving the digitalisation of both economies.¹⁶ The FinTech and AgTech sectors, in particular, offer significant opportunities for bilateral trade and investment.



14. Asialink Business Academy, Navigating the Australia-Vietnam Green Economy, 2024, https://academy.asialinkbusiness.com.au/wp-content/uploads/2024/03/AVEG-Briefing-Paper-1_Navigating-the-Australia-Vietnam-Green-Economy.pdf

15. Ibid.

16. Ministry of Information and Communications, Vietnam's National Digital Transformation Program, 2020, <https://english.mic.gov.vn/>

Education, Skills, and Workforce Development

With the aim of fostering generational bilateral cooperation in areas crucial for long-term economic growth, such as energy, digital transformation, and green economy initiatives, Australia and Vietnam elevated their relationship to a Comprehensive Strategic Partnership (CSP) in 2024.¹⁷ Education has emerged as a central pillar in realising the aspirations of the CSP. As industries evolve rapidly, so too must the workforce, requiring flexible, forward-thinking policies to support skills mobility and mutual recognition of qualifications. Vietnamese diaspora communities across Australia can also play an important role in knowledge sharing and skills development to foster the cross-cultural competencies required to support enhanced bilateral cooperation.

The private sector has a lot of catching up to do. We haven't missed the boat; we're just at the beginning.

– Francis Wong OAM, Organising Chairman, Australia ASEAN Business Forum



Transition in workforce requirements needed

In his keynote remarks, Deputy Prime Minister and Foreign Minister of Vietnam, Mr Bùi Thanh Sơn, highlighted the importance of education and human resource development as a key pillar of Vietnam's transition to a high-income economy. As Vietnam looks to make equitable and sustainable investments in semiconductors, critical minerals and clean tech, Minister Sơn stressed the crucial need for skills development to support this growth.

The conference workshop titled *Shaping the future: Vietnam's transition across key sectors*, run by AVPI Knowledge Partner Asialink Business, reinforced the need for workforce adaptability.

The rapid digitalisation of Vietnam's economy, driven by the National Digital Transformation Program (2020–2025), is reshaping workforce demands, particularly in areas such as STEM education and vocational training.¹⁸ As Ms Adams noted during a panel discussion on Vietnam's economic transformation, Vietnam's evolving workforce requirements reflect an urgent need for comprehensive STEM skills, particularly those essential to designing, developing, and implementing technologies that drive energy transition and decarbonisation.

17. Department of the Prime Minister and Cabinet. (2020, August 27). Joint statement on the elevation of the Comprehensive Strategic Partnership between Vietnam and Australia. Australian Government. <https://www.pm.gov.au/media/joint-statement-elevation-comprehensive-strategic-partnership-between-vietnam-and-australia>

18. Ministry of Information and Communications, Vietnam's National Digital Transformation Program, 2020, <https://english.mic.gov.vn/>

Emphasised as part of the discussions was the importance of equipping the workforce with not only core technical abilities but also the peripheral skills to ethically harness AI, digital infrastructure, and smart manufacturing. This investment in skills will allow Vietnam to progress in critical sectors while also creating opportunities to support Australia's own green transition and technological advancements.



Building trust through education exchanges and skills recognition

Mutual recognition of qualifications and trust-building through education exchanges were recurring themes throughout the conference. Saskia Loer Hansen, Deputy Vice-Chancellor, International and Engagement and Vice-President, RMIT University, offered practical advice drawing on RMIT's more than two decades of experience in Vietnam, encouraging those operating in Vietnam to work collaboratively with local partners to develop programs that

address local requirements. Ms Loer Hansen emphasised the positive nature of opportunities that emerge as the result of listening to local partners, establishing local networks and working collaboratively. Education exchanges, such as those facilitated through programs like the New Colombo Plan, offer vital opportunities for both nations to enhance cultural understanding and develop the next generation of leaders.



An interconnected workforce – Supporting skills mobility and harnessing diaspora

Two complementary ideas emerged across both workshop sessions:

- The vital role of skills mobility in driving growth.
- The underused potential of the Vietnamese diaspora to deepen Australia–Vietnam ties.

The need for adaptable visa policies to meet fast-evolving skills demands in emerging sectors and mutual qualification recognition were considered critical to Australia’s progress in its economic relationship with Vietnam.

Industry leaders voiced concerns about the current setup, which often creates unnecessary obstacles for skilled workers. There was strong support for a bilateral accreditation system to simplify cross-border work opportunities, which would build trust and address skill shortages.

Harnessing the potential of the Vietnamese diaspora in Australia was the central focus of one workshop. Participants agreed that this community is uniquely positioned to bridge gaps, given existing people-to-people connections and a deep understanding of both markets and corporate cultures. “The diaspora understand both Australian and Vietnamese contexts—they’re natural ambassadors,” noted one attendee, underscoring the need to empower diaspora members as leaders in business and education initiatives.

The sessions closed with a clear message: through skills exchanges, diaspora partnerships, and shared credentials, Australia and Vietnam have a unique opportunity to build a resilient, interconnected workforce. **This optimism carried a call to action for policy updates to unlock these shared benefits and strengthen the bilateral relationship.**



Transformation of the workforce and the role of the diaspora

As Australia and Vietnam both face a need to transition their workforces to meet the demands of a green economy and digital transformation, the Vietnamese diaspora in Australia will play an increasingly crucial role in fostering knowledge exchange and mutually-beneficial collaboration. In his speech, the Hon Joe Szakacs MP, Minister for Trade and Investment, Government of South Australia, emphasised the contribution of the Vietnamese community in Australia to entrepreneurship, education, and economic growth. This sentiment was echoed by H.E. the Hon Frances Adamson AC, Governor of South Australia, who highlighted the valuable contributions of South Australia’s Vietnamese diaspora, including forging early export ties and establishing dynamic cultural and community organisations.

The conference workshop titled Australia’s Vietnamese diaspora – *Harnessing our national asset*, run by AVPI Knowledge Partner Asia Society Australia, raised the need for Australian business and government to better leverage Vietnamese diaspora communities within Australia to deepen bilateral engagement. Through harnessing the existing bicultural competencies and connections of these

diaspora communities, Australia will be able to engage with Vietnam with a greater degree of cultural intelligence, leading to more meaningful connections that support ongoing collaboration.

Discussions throughout the conference highlighted how the diaspora’s entrepreneurial spirit and strong ties to both countries enable them to act as bridges for knowledge transfer and skills development. Francis Wong, Organising Chairman of the Australia–ASEAN Business Forum, argued that the Vietnamese diaspora in Australia remains an underutilised resource in building cross-cultural business ties, emphasising the need for long-term diaspora engagement and cultural intelligence programs.

Additionally, Minister Sơn’s speech emphasised the potential for education to drive innovation in sectors like renewable energy and agriculture. Minister Sơn stated that cooperation with Australia in training skilled professionals for these industries is vital to ensuring both countries’ successful transitions to more sustainable economic models. The role of the diaspora in facilitating this transformation is particularly critical as they bring a unique combination of cultural understanding and technical expertise to the table.

It is our diaspora that we need to do better at activating... migrant communities are critically focused on entrepreneurialism, hard work, success, delivering better outcomes for the next generation... there is a need for us as a nation to tap into that as a critical export capability.

– The Hon Joe Szakacs MP, Minister for Trade and Investment, Government of South Australia

Green Economy and Sustainability

The transition towards a green economy is a central pillar of both Australia and Vietnam's long-term strategic objectives. As the global demand for climate action intensifies, a commitment to net-zero has positioned both nations at the forefront of innovation in green energy, climate resilience, and sustainable development. This shared vision was a focal point of discussions throughout the conference, with delegates underscoring the mutual benefits of deepening collaboration in these areas.



Transition towards renewable energy and climate resilience

Vietnam's Minister of Planning and Investment, Nguyễn Chí Dũng, pointed to Vietnam's clean energy ambitions, as articulated in the country's National Green Growth Strategy and Power Development Plan 8 (PDP8).¹⁹ The Minister said Australia's expertise in clean energy presented opportunities for collaboration on solar, wind, and hydrogen power initiatives.

Australia wants to be a partner in Vietnam's ambitious growth story. Australia has much to offer. We have capabilities, goods and services across agriculture and food, resources, clean energy, green infrastructure, education and skills, and the digital economy.

– The Hon Joe Szakacs MP, Minister for Trade and Investment, Government of South Australia

This reinforced Minister Sơn's address, which reiterated Vietnam's commitment to net-zero emissions by 2050 and called for further Australian support in clean energy development. These efforts align with the Australian Government's commitment to support its Southeast Asian partners in achieving climate goals.

Discussions also centred on the Just Energy Transition Partnership (JETP), which Vietnam has embraced to facilitate its shift towards cleaner energy.²⁰ Participants recognised that Australia, with its vast technical expertise and capacity for green innovation, is well-placed to support Vietnam's energy transition. The workshops explored how bilateral projects could provide Vietnam with access to advanced renewable technologies while also opening up new markets for Australian companies specialising in green infrastructure.

19. Government of Vietnam, National Green Growth Strategy for 2021–2030, Vision towards 2050, 2021, <https://en.baocinhphu.vn/national-green-growth-strategy-for-2021-2030-vision-towards-2050-11142515.htm>

20. Government of the United Kingdom, Viet Nam Just Energy Transition Partnership Joint Statement, 2022, <https://www.gov.uk/government/news/viet-nam-just-energy-transition-partnership-joint-statement>



Trust-building through collaborative sustainability efforts

A recurring theme was the need to build trust through the development of shared sustainability standards and frameworks. It was noted that private sector investment must complement public policy efforts to scale up renewable energy projects, climate-resilient infrastructure, and sustainable agricultural practices.

One practical recommendation that emerged from the workshop on *Shaping the future: Vietnam's transition across key sectors* was the establishment of bilateral foundations focused on capacity building and skills development in green industries. This would involve mutual recognition of skills and qualifications in areas such as renewable energy, green finance, and sustainable agriculture, which would foster greater trust and collaboration between Australian and Vietnamese industries. Additionally, participants discussed the importance of creating regulatory frameworks that incentivise green investments, with Vietnam looking to Australia for guidance on implementing transparent and robust sustainability standards.

21. Ministry of Information and Communications, Vietnam's National Digital Transformation Program, 2020, <https://english.mic.gov.vn/>

22. RMIT University Vietnam, The Next Founders, 2024, <https://www.rmit.edu.vn/students/student-news-and-events/student-events-2024/the-next-founders>



Transformation of key industries for a sustainable future

The transformation of key industries, particularly agriculture and energy, was central to the discussion on sustainability. Both nations recognise the need to adopt sustainable practices across sectors to future-proof their economies. Vietnam, a major agricultural exporter, has increasingly focused on sustainable farming practices to minimise the environmental impact of its agricultural output. The conference highlighted Vietnam's transition towards clean agriculture, which could benefit from Australian innovations in AgTech and sustainable water management.

Minister Farrell reaffirmed Australia's role in supporting green infrastructure projects across the region, speaking of Australia's capabilities in renewable energy and green infrastructure and positioning Australia as a key partner in Vietnam's journey towards decarbonisation.

It was noted throughout the conference that the transformation of these industries will not only mitigate climate risks but also generate long-term economic growth and job creation.

Beanstalk AgTech – Sustainable agriculture in Vietnam

AVPI Knowledge Partner, Beanstalk AgTech, is a leading food and agriculture innovation advisory and venture builder, dedicated to a step-change in the agrifood sector globally. It is also a case study of successful Australia-Vietnam engagement, having developed a strategic partnership with Vietnam that leverages the strengths and expertise of both partners in critical areas such as climate resilience, circular economy, and sustainable farming. These efforts are designed to address the urgent challenges posed by climate change, which disproportionately affects agriculture-dependent regions.

A core component of the collaboration is the focus on innovation through the **Climate-Smart Ag Innovation Collaboration**. This platform approach accelerates responses to agricultural issues but also facilitates multidisciplinary dialogue among policymakers, researchers, and industry leaders. By combining Australian technological prowess with Vietnamese agricultural acumen, Beanstalk fosters a rich exchange of knowledge and practices.

Key sectors such as rice cultivation, livestock, aquaculture, and horticulture benefit from advanced technologies and practices that promote resilience and sustainability. For example, the integration of advanced rice breeding programs, waste valorisation strategies, and early shrimp pathogen detection technology exemplifies the practical applications of research and innovation in real-world settings.

The partnership's vision extends beyond immediate technological implementations by aspiring to create a long-term, self-sustaining framework that will continually propel trade, investment, and resilience outcomes across the ASEAN region. Strategic initiatives include tailored leadership training, open innovation partnerships, and multilateral in-market missions, which collectively aim to reduce CO2e emissions and align policies with global environmental goals.

Through these concerted efforts, Beanstalk has been able to showcase what success looks like through bilateral cooperation that addresses local and regional needs. The continued commitment to an expanded Australia-ASEAN partnership highlights the transformative impact of collaborative innovation in fostering a climate-smart agricultural landscape.



Technological Innovation and Digital Transformation

Technological innovation and digital transformation are growing pillars of the Australia-Vietnam partnership. Both nations are committed to advancing their digital economies, creating a fertile environment for collaborative innovation across sectors such as FinTech, AgTech, smart manufacturing, and digital infrastructure.



Transition to a digital-first economy and bilateral partnerships

Vietnam's National Digital Transformation Program (2020-2025) is shaping the country's ambitious drive toward a digital-first economy, positioning it as a key player in the region. As highlighted by Minister Nguyễn Chí Dũng, Vietnam's focus on digital infrastructure, artificial intelligence, and smart manufacturing forms a core part of its long-term economic strategy. Australia's expertise in digital innovation presents a significant opportunity to support these initiatives, particularly through bilateral partnerships in technological development.

Mr Wong provided valuable insight into Vietnam's digital capabilities, emphasising the country's strengths in AgTech, medical technologies (MedTech), and FinTech. He stressed the importance of leveraging these technological advancements to elevate Vietnam's role within the broader Mekong region. As the nation continues to integrate into global digital supply chains, Australia's technological ecosystem, particularly in research and development, could provide the support needed to solidify Vietnam's position as a digital hub.



Trust-building through shared digital infrastructure

Trust between Australia and Vietnam in digital spaces is a key enabler for future cooperation. Ms Adams highlighted the importance of establishing shared standards for digital infrastructure, which would provide mutual benefits in terms of cybersecurity, data privacy, and transparency. The collaborative development of digital infrastructure, encompassing cloud computing, AI-driven platforms, and blockchain, will foster an environment of trust, allowing both nations to securely share innovations and capitalise on new technologies.

Ms Loer Hansen shared a practical example of investment in innovation through initiatives like the Global Business Innovation Challenge led by RMIT University, which focuses on emerging technologies, smart and sustainable cities, social innovation, and regional collaboration.²²



There are a lot of different technologies that target each element of the supply chain, but it requires a coordinated effort to truly deliver real change.

– Ms Lily Tao, Project Lead, Beanstalk AgTech



Transformation through technological innovations and industry collaboration

The transformation of industries through technological innovation is a driving force behind the Australia-Vietnam partnership. Vietnam's rise as a centre of innovation has been accelerated by its investments in key areas such as semiconductors, green tech, and advanced manufacturing.

Mr Wong noted that Vietnam's rapid transition into a digital-first economy presents vast opportunities for Australia, particularly in areas like MedTech and AgTech. These sectors could benefit from Australia's advanced research and development capabilities, helping to drive innovation and expand the scope of bilateral collaboration. The digital transformation occurring in Vietnam is not isolated and is part of a larger trend in the Mekong region, where Vietnam acts as a critical node for technological advancement.

In the broader regional context, both nations are well-positioned to co-lead innovation in sectors such as FinTech, blockchain, and smart agriculture. Vietnam's ambitious digital agenda aligns with Australia's capacity for technological leadership, offering promising prospects for long-term collaboration and transformation across industries.



Conclusion

The inaugural Australia Vietnam Policy Institute Conference (AVPI24) provided an essential platform for advancing key themes central to the evolving Australia-Vietnam relationship. Across discussions of economic transformation, skills development, and the role of innovation, it became clear that both nations are strategically positioned and eager to build on their already robust partnership. The focus on enhancing green energy capabilities, fostering digital innovation, and harnessing the power of Australia's Vietnamese diaspora highlighted the importance of collaborating to address challenges while leveraging existing strengths.

In a time of significant global challenge... bilateral trade and investment, academic and investment exchange is now more important than ever.

-Ms Louise Adams, Australia's Business Champion for Vietnam

Throughout the discussions, the themes of *transition, transformation, and trust* resonated across every sector. Both nations recognise the need for continued mutual investment in education, innovation, and digital capabilities to navigate these complex transitions.

Comprising keynote addresses, panel discussions, impactful presentations and interactive workshops, the conference provided a unique platform to share and exchange insights focused on enhanced bilateral engagement. It brought the AVPI community together in one place for the first time, deepening connections between Australian industry, government and academia with a shared focus on Vietnam. By showcasing specific examples of successful collaboration, the event highlighted a shared commitment to advancing the Australia-Vietnam Comprehensive Strategic Partnership in the pursuit of sustainable growth, innovation, and long-term prosperity for both countries.

As the conference demonstrated, strengthening institutional and people-to-people links will enable Australia and Vietnam to successfully navigate and address regional and global challenges.





*To enhance **Australia's** role in the Comprehensive Strategic Partnership with Vietnam, the following actions are proposed:*

1. Expand investment in green and digital infrastructure:

Australia and Vietnam should deepen their collaboration on green technology and digital transformation by expanding investment in renewable energy and digital infrastructure projects. Through expanding Public-Private Partnerships (PPPs) in high-impact areas, such as renewable energy (solar, wind, hydrogen), both countries can accelerate the transition to a low-carbon economy while fostering sustainable growth. In parallel, enhancing Australian investment in digital infrastructure – particularly in areas such as internet connectivity, smart cities and e-governance – would drive innovation and improve resilience and productivity in Vietnam. Developing a mechanism to support Australian businesses looking to invest in Vietnam would also help them navigate and overcome regulatory and other barriers.

2. Facilitate skills mobility and mutual recognition of qualifications:

To foster deeper collaboration in priority sectors and support skills development, Australia should explore initiatives to facilitate the movement of skilled professionals between the two countries. This could

involve streamlining visa pathways for skilled professionals, reducing barriers to entry, and establishing dedicated visa categories for skilled workers in sectors of mutual interest. Additionally, exploring a formalised framework for mutual recognition of qualifications would significantly enhance workforce mobility, enabling skilled professionals to transition more easily between countries, contribute to shared economic goals and collaborate in priority industries.

3. Strengthened and more purposeful diaspora engagement:

Australia's Vietnamese diaspora offer invaluable insights and connections that could deepen economic ties and ease market entry into Vietnam. Engaging this community strategically, in line with Recommendation 7 of the Invested: Australia's Southeast Asia Economic Strategy 2040, would enable Australia to harness the diaspora's unique cross-cultural capabilities to advance regional economic initiatives. This approach would also strengthen the Australian industry's cultural intelligence and facilitate greater knowledge and skill sharing that is in line with both countries' trade and investment priorities.

*To support **Vietnam** in leveraging its partnership with Australia and advancing its development priorities, the following recommendations are proposed:*

1. Create an enabling environment for investment in green and digital infrastructure:

To further strengthen its economic relationship with Australia, Vietnam should continue to streamline its regulatory framework and reduce existing investment barriers in order to attract greater Australian investment. Simplifying foreign direct investment (FDI) processes and aligning them with international best practices would improve investor confidence and make Vietnam a more attractive destination for business. In parallel, expanding investments in green and digital infrastructure – with a focus on renewable energy and enhancing the digital economy – will be key to driving long-term economic growth. Collaborating with Australian partners on large-scale infrastructure projects could significantly bolster Vietnam's energy security, digital resilience, and environmental sustainability. These efforts would attract further FDI, promote sustainable development, and deepen the economic ties between the two countries.

2. Promote bilateral skills development and innovation:

Vietnam should prioritise strengthening and expanding partnerships with Australian universities, vocational institutions and other research bodies to establish joint bilateral skills academies focused on emerging industries. These academies would play a

key role in equipping Vietnam's workforce – including early and mid-career professionals – with the advanced skills required to meet the demands of rapidly evolving sectors, such as technology, renewable energy and advanced manufacturing. By aligning skills development programs with industry needs and international standards, Vietnam could build a more agile and innovative workforce, capable of adapting to future challenges and meeting the evolving demands of new and emerging industries.

3. Expand innovative agricultural technology partnerships:

Vietnam's advancements in agricultural production and emphasis on integrating digital solutions to improve yields, efficiency and productivity, make it well-placed to collaborate and partner with Australia's AgTech industry. Vietnam is encouraged to strengthen and expand partnerships in key areas such as sustainable agriculture, waste management, and AgTech innovations – fostering joint initiatives that enhance Vietnam's agricultural production and exports. Working together, the Australian and Vietnamese agricultural sectors can create a robust platform for shared knowledge, technology transfer, and capacity building, positioning both nations as global leaders in sustainable and innovative agricultural practices.

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Images

1. All images in this summary paper feature attendees of AVPI24 on 17 October 2024

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