

Australia Vietnam Policy Institute Vietnam Forum 2025

Summary Paper

Vietnam-Australia Pathways in the Digital Economy: Trust, Trade & Innovation

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Introduction

The inaugural Australia Vietnam Policy Institute (AVPI) Forum, held in Hanoi on 11 September 2025, marked two significant milestones. It was the first time the AVPI held an event of such scale in Vietnam, attracting an involved audience of over 70 participants from across government, academia and industry. Additionally, and with the launch of AVPI's Hanoi office the same day, the Forum represented the culmination of the institute's evolution into a genuinely bilateral platform, designed to connect government, business and academia around shared priorities.

The Forum's theme, Vietnam–Australia Pathways in the Digital Economy: Trust, Trade and Innovation, reflected both national ambitions and the Comprehensive Strategic Partnership (CSP) that frames two-way cooperation.

Opening the Forum, Associate Professor Dr Bùi Thế Duy, Vice Minister of Vietnam's Ministry of Science and Technology, underscored the centrality of digital transformation to Vietnam's development aspirations, describing science, technology and innovation as “strategic pillars” for the nation's future growth. He emphasised the Government of Vietnam's commitment to building a robust national innovation ecosystem through institutional reform, stronger legal frameworks and greater participation from domestic and international enterprises.

The Digital Economy is not only about advancing technology, it is about building trust between partners, ensuring systems that are interoperable, and creating an environment where innovation benefits everyone.

– Associate Professor Dr. Ta Minh Tuan, Vice President, Vietnam Academy of Social Sciences


This framing aligns with Vietnam's Resolution 57, which sets a target for the digital economy to contribute at least 30 per cent of GDP by 2030 and at least 50 per cent by 2045. The Resolution also highlights the need for rapid legal and regulatory adaptation to support emerging technologies and cross-border collaboration.¹

For the Australian Government, deepening cooperation on digital transformation has been enshrined in the CSP and builds on both the commitments in the Australia–Vietnam Enhanced Economic Engagement Strategy (EEES) (2021)² and the objectives of its long-term economic strategy for Southeast Asia (2023).³

Across the Forum's discussions, participants consistently highlighted trust as the foundation for digital cooperation, whether in venture capital ecosystems, technical standards or long-term partnerships. Trade was described as the practical pathway to integration, requiring attention to barriers such as high logistics costs, slow cross-border payments and incompatible digital standards. Innovation emerged as the driver of shared prosperity, enabled by Vietnam's digital talent and youthful workforce, and complemented by Australia's expertise in regulation, services and research.

The power of the AVPI is its network – bringing together 38 partners across both countries to capture insights and turn them into real policy outcomes.

– Layton Pike, Co-Founder of the AVPI and Interim Deputy Vice-Chancellor International and Engagement, RMIT University



These opening reflections communicated a shared conviction that Vietnam and Australia are entering a decisive phase in their digital partnership.

Trust provides the foundation on which collaboration can grow; trade offers the pathway to integration; and innovation will determine whether both countries can translate ambition into lasting prosperity.

Building trust across borders

Trust was consistently identified as the foundation on which digital cooperation between Vietnam and Australia must be built. Throughout the Forum, participants stressed that without a trusted environment for investment, data flows, and cross-border collaboration, the opportunities of the digital economy cannot be fully realised. In this context, trust extends beyond technical safeguards to include institutional reliability, policy consistency and the quality of relationships that sustain long-term partnership.

Vietnam's policy ambitions reinforce this emphasis. The Politburo's Resolution 57, approved in 2024, sets a national goal for the digital economy to contribute at least 30 per cent of GDP by 2030 and at least 50 per cent by 2045. It also mandates for rapid legal and regulatory reform, enabling new approaches to digital trade, emerging technologies and the innovation ecosystem. Forum participants recognised this flexibility as a signal of Vietnam's intent to create a more predictable and enabling environment for both domestic and international enterprises.⁴

Building trust within Vietnam's startup and venture capital ecosystem was a central theme of the Forum. Dr Phạm Hồng Quất, Director General of the National Agency for Technology Entrepreneurship and Commercialisation Development (NATEC) within the Vietnam Ministry of Science and Technology, argued that transparency and accountability would be essential to attracting international investors. He called for a national venture capital fund and a publicly accessible database of startup investments, measures that would provide clarity to entrepreneurs and financiers alike.

What we need is a digital trust platform, a kind of middleware that can connect the two systems so transactions can flow more easily.

– Long Do, Founder and CEO, Auschain Pty Ltd and Vietnam Blockchain Corporation

Australian participants emphasised the importance of presence, consistency and relationship-building in establishing long-term trust. Edwin Law, Executive Director of the Australian Chamber of Commerce in Vietnam (AusCham Vietnam), stressed that credibility cannot be developed through transactions alone.

Long-term trust in Vietnam is built on personal connection, consistent presence, cultural sensitivity and capacity building.

– Edwin Law, Executive Director, AusCham Vietnam

For Australian businesses, this means engaging early with regulators, industry associations and partners to shape common standards and demonstrate commitment to Vietnam's development priorities.

Digital trust extends to consumer protection and security. As cross-border payments, blockchain applications and fintech platforms grow, the risks of data breaches and inconsistent safeguards increase. Participants called for "digital trust platforms" to connect systems and reduce barriers between markets while maintaining compliance. Without such frameworks, transaction costs remain high and scale is limited. Examples shared during the Forum illustrated that where transparency, standards and consistency are embedded, partnerships are more likely to grow. Trusted frameworks create the conditions for innovation to take hold and for enterprises to expand across borders.

We should focus on the real story and real problems... and encourage raising funds from the private sector.

– Dr Phạm Hồng Quất, Director General, National Agency for Technology Entrepreneurship and Commercialisation Development (NATEC)



Australia's regional initiatives were viewed as complementary to this agenda. Through the Indo-Pacific Cyber and Critical Technology Cooperation Program, Australia has worked to build shared standards, strengthen resilience and promote responsible technology use across the region.⁵ Embedding bilateral cooperation within this broader framework would deepen trust and give businesses a more consistent environment in which to operate.

Networks were also highlighted as critical enablers of trust. Business chambers, academic institutes and innovation intermediaries provide early dialogue, help manage expectations and sustain continuity in relationships. For many foreign investors, these networks represent the first point of confidence before formal agreements are signed.

Trust is also cultural. In Vietnam, partnerships are judged by the consistency of engagement and investment in people. Demonstrating respect for local context and prioritising capacity-building are seen as integral to credibility. Participants noted that technology standards and regulatory alignment are necessary, but without cultural sensitivity and visible commitment, cooperation is unlikely to endure.

Looking ahead, trust will remain the decisive factor in how quickly bilateral cooperation can advance. Forum participants observed that without confidence in standards and systems, technology alone cannot deliver integration. Strengthening transparency in capital flows, aligning regulatory safeguards and continuing to invest in networks and people will be essential to making the digital economy a trusted driver of growth. In doing so, Vietnam and Australia position themselves as credible partners in shaping a digital order in the Indo-Pacific that is inclusive, secure and resilient.

Digital cooperation in trade and financial systems

Trade is a pathway through which digital cooperation can deliver tangible outcomes. Despite the complementary strengths of both countries, the scale of bilateral flows remains modest. Two-way trade in goods and services was valued at around AUD\$28.2 billion in 2024, accounting for approximately 3 per cent of Vietnam's global trade and 2 per cent of Australia's. This gap underlines the need for new approaches that treat digital trade not as an adjunct to commerce but as a driver of prosperity and economic integration.⁶

Structural barriers continue to constrain this potential. Logistics costs remain high, cross-border payments are slow and expensive, and technical standards between the two countries are often misaligned. RMIT University's Dr Anh Dao Le Trang noted that Australian investment in Vietnam has yet to achieve scale, with only around 600 active projects – a figure she described as small relative to the partnership's ambition and potential.

Vietnam's fintech sector reflects both dynamism and constraint. Local digital payment platforms have scaled rapidly, but gaps in standards prevent them from connecting smoothly with Australian systems. This mismatch limits the scope of cooperation and creates friction for cross-border expansion.

The conversation highlighted interoperability as the decisive factor for future collaboration. Without mechanisms to align technical standards and regulation, firms face higher costs and uncertainty that erode confidence. Participants noted that creating seamless connections between payment systems and data frameworks will be critical to building efficiency and scale in cross-border trade.

Overcoming these barriers will depend on creating space for experimentation. Forum participants described sandbox programs as a practical way to trial new fintech, blockchain and digital trade models while avoiding systemic risk. Successful pilots could then be scaled with regulatory support, offering a pathway to reform that is both flexible and adaptive. This flexibility reflects Vietnam's commitment to adapt quickly as new challenges and opportunities emerge.

Resolution 57 allows us to change laws in weeks to accelerate the digital transition.

– Dr Phạm Hồng Quất, Director General, National Agency for Technology Entrepreneurship and Commercialisation Development (NATEC)

Technology was seen as a tool for trade efficiency and as a foundation for trust. Blockchain-based traceability was discussed as a means to strengthen supply chains, reduce customs delays, and meet international compliance standards. By raising transparency, such tools could reduce the frictions of distance and logistics that have long shaped the bilateral trade relationship.

The Australian policy framework provides a useful platform for this agenda. The Australia-Vietnam Enhanced Economic Engagement Strategy (EEES) set out an ambition for Australia and Vietnam to become top ten trading partners, double two-way investment and expand collaboration into emerging sectors.⁷ Forum participants argued that digital trade should now be placed at the centre of this vision. Interoperable systems, streamlined compliance and modernised payment solutions were identified as prerequisites for achieving the ambition of the Comprehensive Strategic Partnership.

The role of government was emphasised throughout the discussion. Industry can innovate quickly, but predictable rules and clear signals from regulators are essential to scale. Participants highlighted the importance of coordination among Vietnam's Ministry of Science and Technology, the State Bank of Vietnam, and Australia's Department of Foreign Affairs and Trade. Stronger engagement at this level was seen as critical to unlocking investment and reducing uncertainty for business.

Consumer protection was also highlighted as a priority. As digital trade expands, exposure to fraud, data breaches and compliance failures increases. Aligning safeguards between Australia and Vietnam will help ensure that growth is not achieved at the expense of security. Participants noted that Australia's experience in regulation and standards can complement Vietnam's rapidly evolving digital economy.

Bilateral reform was also linked to broader regional influence. By embedding aligned approaches into regional trade agreements and dialogues, Vietnam and Australia can help shape the emerging rules of digital trade across the Indo-Pacific. Greater consistency across jurisdictions would provide clarity for firms and reinforce both countries' roles as advocates for secure and inclusive digital flows.

Trade, in this sense, extends well beyond the exchange of goods and services. It encompasses the standards, safeguards and digital infrastructure that lower costs, reduce risks and build confidence. With sustained reform, digital trade can become the pathway to integration that fulfils the ambition of the CSP and positions both countries as leaders in a rapidly evolving regional economy.



Empowering digital innovation ecosystems through strategic partnerships

Innovation was consistently described at the Forum as the driver of long-term prosperity in the bilateral relationship. While trust provides the foundation and trade the practical pathway, participants emphasised that innovation is where ambition becomes reality. It enables economies to adapt, scale and compete in a region shaped by rapid technological change. For Vietnam, building a dynamic digital economy requires capital, technology, robust ecosystems, new models of collaboration and the capability to translate ideas into practice.

Vietnam's National Innovation Strategy to 2030 identifies science, technology and innovation as essential to achieving higher productivity and sustainable growth.⁸ Yet despite rapid progress, the country's innovation system continues to face structural constraints. Research and development spending remains below 1 per cent of GDP, compared with an OECD average of 2.7 per cent.⁹ Forum discussions acknowledged this gap, stressing that without greater investment in people, infrastructure and institutional capability, the digital economy cannot scale to meet Vietnam's goals under Resolution 57.

Ecosystems thrive when they provide space for rapid testing and innovation. Sandbox programs and proof-of-concept pilots were identified as essential tools for trialling new business models in emerging sectors such as fintech, healthtech and agritech. Government co-investment will be crucial in de-risking early-stage ventures.

The most effective ecosystems are those where partners can test fast, fail fast, learn fast.

— Thang Huynh, CEO, InnoLab Asia

Without investment in people and infrastructure, ideas will die in bureaucracy.

— Rita Mokbel, President, Ericsson Vietnam

Skills and research capacity were another recurring concern. Discussion revolved around the limited investment in human capital in Vietnam relative to the scale of its ambitions. There is value in university-industry partnerships, arguing that research hubs should be co-located with academic institutions to accelerate skills development and ensure that innovation remains tied to market needs. This approach reflects Ericsson's global experience with 5G and AI labs, where collaboration with universities has accelerated both workforce readiness and the commercial application of these technologies.

Scaling successful models was seen as one of the most pressing challenges. Vietnam has a vibrant startup culture, supported by a young workforce and entrepreneurial energy. Yet many solutions remain confined to small pilots. Without mechanisms for scaling, innovative solutions risk being trapped at the margins rather than driving system-wide change.

Comparative advantages were viewed as an opportunity for alignment. Vietnam boasts digital talent, a youthful demographic and momentum in green growth. Australia contributes strengths in governance, regulation, services and finance. Forum participants suggested that by connecting these strengths through structured collaboration, the two countries can create more resilient and globally competitive ecosystems.



Vietnam is very good at solving problems at a small scale, but the challenge is how to expand those solutions nationally or internationally.”

– Professor Trung Nguyen, Interim Deputy Dean, The Business School, RMIT Vietnam

Australia’s National Reconstruction Fund, announced in 2023, was highlighted as an example of how targeted public investment can catalyse innovation in priority industries. A similar approach, adapted to Vietnam’s context, could support scaling in sectors such as digital health, smart agriculture and green technology.

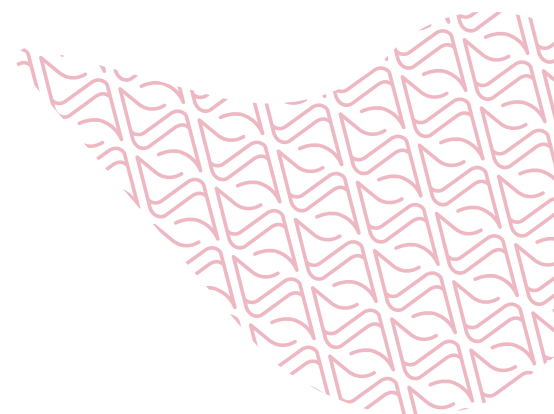
Regulatory agility was again positioned as essential. Resolution 57 allows Vietnam to accelerate reform and adapt frameworks quickly. Participants emphasised that this capacity should be used to create enabling conditions for innovation, encompassing intellectual property protections, open data regimes and startup incentives. Australia’s experience in regulatory governance was viewed as a complementary asset, providing models that Vietnam can draw upon while preserving flexibility.

Participants also linked innovation to broader regional positioning. By jointly investing in ecosystems, universities and regulatory sandboxes, Vietnam and Australia can help shape Indo-Pacific norms for digital transformation. This extends beyond technical standards to include ethical frameworks and inclusive approaches to technology adoption.

Several speakers noted that innovation partnerships will be most effective when they explicitly benefit women entrepreneurs, small businesses and under-represented groups, ensuring that growth is broadly shared.

Innovation is where trust and trade converge. Without trusted frameworks, innovation cannot take root; without trade pathways, it cannot scale.

Together, Vietnam and Australia can co-invest in ecosystems that drive bilateral prosperity and shape the region’s approach to digital transformation. As participants reflected, innovation is less about generating new ideas and more about creating the conditions for ideas to travel, expand and endure.



Building trust through consistency and standards

Case Study: TMA Technology

When we started, we invested in standards and quality. That's how we could work with international partners.

— Hong Tran, Managing Director, TMA Innovation

TMA Technology illustrates how long-term trust and technical excellence can create enduring partnerships between Vietnam and Australia. Established in 1997, TMA has grown into one of Vietnam's largest private ICT companies, employing over 4,000 engineers and maintaining offices in Melbourne and Adelaide. The company's sustained collaboration with Australian partners over more than two decades demonstrates how shared standards and reliability can underpin innovation and export growth.

TMA's partnerships began in telecommunications and software engineering but have since expanded into digital transformation, agritech, fintech and healthtech. Its projects include data analytics systems for Australian banks, AI-based herd genetics for dairy farms developed with Monash University, and health informatics solutions supporting the World Mosquito Program, a platform that now protects more than 13 million people in 15 countries. These initiatives highlight the potential for bilateral collaboration to scale technology that delivers both commercial and social outcomes.

TMA's adherence to ISO and international data-protection standards has allowed it to become a reliable outsourcing and R&D partner for Australian firms seeking to expand development capacity in Asia. It stands as a model for how Vietnamese companies can sustain global relationships through performance rather than price. The company's emphasis on continuous skill development, process certification and transparent communication has built confidence among international clients and created pathways for joint innovation.



Scaling innovation through partnership

Case Study: RMIT Smart & Sustainable Cities Hub

The best way to learn technology is to work with universities.

— Professor Trung Nguyen, Interim Deputy Dean, The Business School, RMIT Vietnam

The RMIT Smart & Sustainable Cities Hub demonstrates how sustained collaboration between universities, industry and government can accelerate Vietnam's digital transformation. Established in Ho Chi Minh City in 2023 as part of RMIT Vietnam's strategic focus on regional impact, the Hub works with provincial governments, local businesses and international partners to deliver training, applied research and policy advice on digital innovation and smart city development.

The Hub's early results are significant. In its first 18 months, it has delivered programs to more than 15,000 leaders, businesses and citizens, equipping them with the knowledge and skills required for digital transformation. Through white papers, policy dialogues and collaborative projects, the Hub has positioned Vietnam alongside regional leaders such as Japan, Singapore and South Korea in advancing smart city innovation. Collaboration between government and academia is essential to achieving impact at scale.



The Hub's work illustrates how innovation ecosystems can mature when driven by both capacity building and co-investment. Its projects combine digital upskilling with applied research in areas such as data management, sustainable infrastructure and citizen participation. These activities directly support the objectives of Resolution 57, which calls for strengthened human capital and institutional capability to underpin the national digital economy.

This approach offers a potential model for other international partnerships. By linking academic research with on-the-ground implementation, the Hub demonstrates how foreign institutions can act as long-term partners rather than short-term consultants.





Conclusion

The AVPI Vietnam Forum reaffirmed that the strength of the Australia–Vietnam partnership lies in its capacity to evolve. Trust, trade and innovation are connected forces that define how both countries can prosper in a changing region.

Trust forms the foundation on which collaboration is built. It is strengthened through transparency, consistent standards and long-term engagement, which are the qualities that give investors and institutions the confidence to partner with Vietnam. Participants reflected that trust grows through relationships, and that continuity of presence will be essential as cooperation deepens.

Trade provides the pathway for these partnerships to deliver impact. The Forum highlighted that digital trade, in particular, offers an opportunity to turn ambition into tangible outcomes. Streamlining logistics, reducing friction in cross-border payments and aligning digital standards can all expand access for businesses while embedding both countries more firmly in regional value chains. With these reforms, trade becomes a platform for shared prosperity rather than a measure of exchange.

Finally, innovation remains the decisive factor in sustaining that progress. Participants emphasised that Vietnam's digital transformation depends not only on technology but on investment in people, systems and ideas that can scale.

Australia's strengths in research, regulation and services complement Vietnam's talent and entrepreneurial drive. Together, they can cultivate ecosystems that turn local solutions into regional impact.

The Forum's discussions carried a shared conviction that genuine partnership is proven through action, not intent. The launch of AVPI's Hanoi office and the convening of this first bilateral Forum in Vietnam are steps toward that goal. It is these practical expressions of commitment and continuity that represent a platform where ideas can move from conversation to collaboration, from policy to implementation.

If trust continues to deepen, trade becomes more seamless, and innovation is nurtured with intent, Australia and Vietnam will be able to achieve their shared ambitions and help shape a more connected, confident and inclusive Asia Pacific region.



Recommendations

Implementing these recommendations would advance the ambitions of the Australia-Vietnam Comprehensive Strategic Partnership by linking innovation systems, harmonising digital trade, and strengthening trust between regulators and markets.

For Australia

1. Deepen regulatory dialogue on digital standards and payments.

Formalise cooperation between the Australian Department of Foreign Affairs and Trade, the State Bank of Vietnam and Vietnam's Ministry of Science and Technology to align digital trade and data governance frameworks. This would build on the CSP's Digital Economy Memorandum of Understanding and support interoperability between markets.

2. Support cross-border sandbox collaboration.

Partner with Vietnam Ministries to pilot cross-border sandbox programs in fintech, blockchain and digital identity. Joint pilots could reduce regulatory friction and generate evidence for scalable regional standards.

3. Expand mentoring and incubation for Vietnamese startups.

Work through AusCham, the AVPI and Australian universities to connect Vietnamese founders with Australian mentors, accelerators and investors. These networks can transfer business capability and encourage trust-based partnerships.

4. Co-invest in university-industry research hubs.

Establish collaborative research and innovation centres in priority sectors such as digital health, agritech and clean energy. Australian public investment through programs like the National Reconstruction Fund could be matched by Vietnamese or private-sector contributions.

5. Strengthen bilateral collaboration on digital skills and innovation leadership.

Partner with Vietnam universities, research institutes and innovation hubs to design joint programs for upskilling in digital technology, research commercialisation and innovation management.



For Vietnam

1. Strengthen national innovation infrastructure.

Accelerate implementation of the National Innovation Strategy to 2030 by increasing R&D expenditure, expanding provincial innovation centres and enhancing incentives for public-private partnerships in technology.

2. Establish a transparent venture capital database and investment framework.

Develop a national database of startup investments and create a consistent regulatory framework for venture capital, providing clarity and reducing risk for international investors.

3. Modernise payment and trade systems for interoperability.

Advance paperless trade and cross-border payment reform under Resolution 57 to reduce transaction costs and align with ASEAN and OECD standards.

4. Increase collaboration with Australian universities and firms.

Based on the strong cooperation between entities from the two countries, like VASS/IVawe and RMIT/AVPI, build joint research programs and commercialisation pathways in areas such as AI, cybersecurity, smart cities and sustainable infrastructure, drawing on Australian expertise in governance and regulation.

5. Expand innovation capacity through human capital development.

Prioritise education, digital skills training and leadership development to sustain the digital economy's growth. Initiatives should target women, rural entrepreneurs and public-sector leaders driving local transformation.

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Cover Image Reference

<https://unsplash.com/photos/city-skyline-during-night-time-wUk2U5Wirxg>

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