Australia Vietnam
Policy Institute

AVPI Sector Brief: Financial Markets

Vietnam's Vision for Semiconductor Manufacturing

Vietnam has set a bold agenda to establish a globally competitive International Finance Centre (IFC) across Ho Chi Minh City and Da Nang by 2035, enabled by Resolution No. 222/2025/QH15. This IFC will operate under special regulatory rules within Vietnam, enabling international organisations to operate with greater flexibility and align their operations with standard global practices.

The two IFC locations will have distinct focuses:

- **Ho Chi Minh City:** Focus on capital markets, banking, and asset management.
- **Da Nang:** Focus on digital financial services, fintech and green finance.

Key regulatory reforms and incentives include:

- Liberalised capital flows, tax concessions, green finance incentives.
- Regulatory sandboxes, foreign exchange exemptions, and adoption of or International Financial Reporting Standards.
- Use of English as an official working language and streamlined labour/immigration pathways.
- Digital infrastructure upgrades and improved financial governance.

The vision is to attract global capital, deepen domestic capital markets, and position Vietnam as a regional hub for fintech, green finance, and cross-border investment.

Year	Vietnam Objectives (per Resolution 222 & IFC strategy)
2025	Regulatory framework completed; IFC governing bodies formed; land designated; infrastructure construction initiated.
2027	IFC begins operations under the new framework with first tax-incentive recipients; fintech sandbox activated; dispute resolution mechanisms implemented.
2027-2030	Broader rollout of financial products and services, stronger integration with regional and global markets, and intensified international promotion efforts.
By 2035	IFC recognised as a regional financial centre (and a global financial centre by 2045).

The Australian Context

Australia's financial markets are globally respected, supported by well-established regulatory institutions (Reserve Bank of Australia, Australian Securities and Investments Commission, Australian Prudential Regulation Authority) and robust infrastructure for clearing and settlement. In 2025, The Global Financial Centres Index 37, an evaluation and ranking of the 119 financial centres around the world, ranked Melbourne and Sydney 28th and 30th respectively, while Ho Chi Minh City ranked 98th. Australia excels in green finance, with the first sovereign green bonds issued in 2024 and AUD$9.3 billion in bonds currently on issue.

Vietnam's Key Industry Partnerships

International Finance Leaders

Vietnam holds partnerships with a focus on financial market collaboration with multiple countries including: Australia, through a Comprehensive Strategic Partnership (CSP) and an agreement between Austrade and the Vietnam Banks Association; the US and Singapore, through CSPs; and Hong Kong, through the ASEAN-Hong Kong, China Free Trade Agreement.

Multilateral Institutions

Vietnam is working with by the World Bank and the Asian Development Bank to accomplish capital market reforms and green finance.

Universities

Vietnam is home to RMIT University Vietnam, Hanoi University of Economics, and other institutions involved in joint projects with Australian universities in finance and fintech innovation.

Key Challenges Facing Vietnam

Regulatory & Institutional Readiness

Advanced fabs require ultra-pure water, stable power, and clean tech zones. A World Bank report warned that Vietnam could face regional water stress by 2030, particularly in industrial clusters. Vietnam ranks 56/99 on the world energy index.

Market Depth & Liquidity

Limited liquidity in Vietnam's bond and equity markets compared to regional hubs, and foreign investor participation remains modest.

Talent & Human Capital

Vietnam's skill shortages in financial engineering, fintech, and regulatory compliance remain a bottleneck and are a key barrier to overcome to achieve the ambitions of Resolution No. 222.

Opportunities for Collaboration

Knowledge Exchange & Training

Deepening partnerships between Australian universities and Vietnamese institutions to strengthen financial modelling, fintech, and policy expertise.

Green Finance & Carbon Markets

Leveraging Australia's experience in Environmental, Social, & Governance (ESG) finance and emissions trading to support Vietnam's sustainability agenda.

Policy & Regulatory Expertise

Roundtables, conferences, and other information sharing sessions to provide Australia's IFC policy context and develop more resilient and inclusive financial markets.

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