



# Viet Nam

## POLICY INITIATIVES

**SMEs** REPRESENT **95%** OF ALL ENTERPRISES IN VIET NAM <sup>(1)</sup>

SMEs GENERATE **40% OF GDP** <sup>(1)</sup>

**24%**

OF FORMAL ENTERPRISES ARE OWNED BY WOMEN <sup>(7)</sup>

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

WOMEN-OWNED SMEs BY SECTOR

**61.4%** OPERATE IN THE SERVICE SECTOR

**37.6%** OPERATE IN THE INDUSTRY SECTOR

**1%** OPERATE IN THE AGRICULTURE SECTOR <sup>(2)</sup>



SMEs EMPLOY **50%** OF THE FORMAL WORKFORCE <sup>(1)</sup>

WOMEN-LED SMEs EMPLOY **43.4% OF WOMEN** COMPARED TO **36.0% BY MEN-LED SMEs** <sup>(3)</sup>

THE SIZE OF WOMEN-OWNED ENTERPRISES:

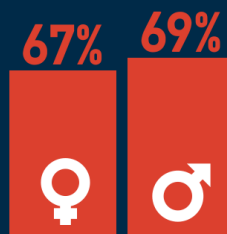
**57%** ARE MICROENTERPRISES  
**42%** ARE SMES  
**1%** ARE LARGE ENTERPRISES <sup>(1)</sup>

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

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



INFORMAL SECTOR EMPLOYMENT BY GENDER



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

LAWS AND POLICIES RELATING TO WOMEN-OWNED SMEs

**DECREE No.90/2001/ND-CP**  
**DECREE No.56/2009/ND-CP**  
**LAW No.04/2017/QH14**

PROVISION OF ASSISTANCE FOR SMALL AND MEDIUM SIZED ENTERPRISES <sup>(2,3)</sup>



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



ECOSYSTEM OF  
STAKEHOLDERS

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



FORMALISED  
MECHANISMS

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



EVIDENCE-BASED  
PRIORITY ACTIONS

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



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### FRAMEWORK FOR CATALYZATION OF WOMEN'S ENTREPRENEURSHIP

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



### BUILDING BACK BETTER

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



### SUPPORT SERVICES

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



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### CAPACITY BUILDING TOOLS

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



### ENABLING ECOSYSTEM

The second TAG meeting held in December 2020, was chaired by the Ministry of Planning and Investment and UN ESCAP and witnessed participation of more than **30 representatives from Government ministries, financial institutions and women's associations** including: Ministry of Industry and Trade; the State Bank of Viet Nam; Ministry of Labour, Invalids and Social Affairs, among others. The meeting facilitated the annual evaluation of activities under CWE for advancing women's entrepreneurship in Vietnam. It served as platform for the stakeholders to identify and deliberate over the gaps of 2020 and develop an action plan for 2021 based on key recommendations. The meeting also helped stakeholders identify potential collaborations for building an inclusive and enabling system for women entrepreneurs in 2021.



### RESEARCH AND ADVISORY SUPPORT

Building on the learnings from initiatives under the LOA, AED-MPI requested ESCAP's support on undertaking thematic studies to further guide Government's initiatives for women entrepreneurs in Vietnam. These include a) Impact of climate change on women entrepreneurs in Mekong delta region; b) Analysis of gaps and opportunities for women entrepreneurs from ethnic minority groups in the northern mountainous region of Viet Nam and c) Agritech mentorship needs for women in agriculture-led businesses. These studies will inform the provincial action plans of the Government focussing on advancing women led businesses in vulnerable regions.



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### CLIMATE CHANGE RESPONSE

In partnership with AED-MPI, a sub-national consultation on **'Challenges and Actions to support women entrepreneurs coping with climate change and COVID-19 in Mekong River delta'** was organized in the Ben Tre province of the Mekong region in Vietnam. Over 60 stakeholders including government officials, climate change experts, women MSME support organizations as well as women entrepreneurs from the region participated in the sub-national consultation. The consultation served to map the ecosystem of stakeholders working to support women MSMEs in the agriculture sector to cope with impacts of drought, salt water intrusion and COVID-19 in the region. In particular, best practices and technological innovations enabling women MSMEs to adapt to these circumstances were identified. The information resulting from the consultation has resulted in an action plan for the Government to support women MSMEs in responding to climate change. The information is also contributing to the study being undertaken on the impact of climate change on women MSMEs in Mekong region.



### ADVISORY ON SME LAW

ESCAP and AED-MPI jointly conducted an assessment on SME Law and its impact on women entrepreneurs in Viet Nam. The report analyses eight articles of the SME Law: access to credit; tax and accounting support; production space; technology and incubation; market expansion; information and legal advice; human resource development and transforming household businesses into enterprises; with regard to their impact on women-owned SMEs. Drawing evidence from national and provincial levels, the report assesses the challenges that women-owned SMEs face and provides actionable recommendations to address the identified gaps and structural constraints for strengthening the impact and implementation effectiveness of the law for women entrepreneurs.

Several recommendations from the SME law assessment have been incorporated into the new decree [80/2021/ND-CP](#) of Viet Nam with the aim to strengthen the overall enabling environment for women-owned SMEs. The new decree, which came into effect on 15 October 2021, has several important stipulations such as on incubation, human resource development and counselling support, that have been adjusted and supplemented to provide the legal basis to significantly improve the previous regulatory limitations that women entrepreneurs faced. At the request of AED-MPI, ESCAP is supporting the first phase implementation of the new decree which is expected to benefit over 1000 women-owned SMEs in Viet Nam.





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### MONITORING AND EVALUATION

In partnership with AED-MPI, ESCAP has developed a monitoring and evaluation (M&E) framework to collect information and track outcomes of policy initiatives for women entrepreneurs in Viet Nam. The M&E toolkit includes a theory of change and results measurement framework that will enable AED to identify gaps in available data on women SMEs, prioritize systematic data collection and provide a structure for monitoring impact of initiatives such as SME law assessment on women entrepreneurs.



### CAPACITY DEVELOPMENT

ESCAP and AED-MPI organized a workshop in October 2021 to introduce the results measurement framework for monitoring progress of women entrepreneurs in Viet Nam. The workshop brought together over 45 stakeholders including representatives from five ministries, State Bank of Viet Nam, Vietnam's Women's Union, Women Entrepreneurs Associations to build capacities on integrating gender considerations into monitoring mechanisms of SME development initiatives. Further trainings are being planned with government agencies and Women's Union to adapt and operationalize the M&E framework for various policy and programmatic interventions.



### SERVICE DELIVERY MECHANISMS

To address the gaps in access to information and services for women entrepreneurs, a sub-portal [Women Entrepreneurship Ecosystem](#) under the [National SME Support Portal](#) has been launched by AED-MPI with support of ESCAP. The portal serves as a one-stop platform for information and services with respect to: 1) policies, schemes and support programmes, 2) Innovative Financing, 3) ICT and digital transformation, 4) E-learning resources as well as mental health support services, aiming to make resources specific to women entrepreneurs and potential women entrepreneurs easily accessible and usable. While AED-MPI serves as the focal point to manage this portal, other stakeholders such as provincial departments of planning and investment, associations, banks as well as relevant ministries are contributing towards services/offerings of the portal.



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### PSYCHOSOCIAL SUPPORT SERVICES

Psychosocial support services and counselling sessions undertaken in partnership with Vietnam France Psychology and Psychiatry Institute witnessed a great demand among women entrepreneurs. Subsequently, two more talk shows followed by coaching sessions were organized on "*Calm in the COVID storm*" and "*Mentally Firm in the Future*" that served as capacity building platforms for over 80 women entrepreneurs to cope with the impact of the pandemic while managing their businesses.



### INTER-AGENCY COORDINATION FOR WOMEN'S ENTREPRENEURSHIP

The third TAG meeting held in December 2021, chaired by Ministry of Planning and Investment, UN ESCAP and UN Women, witnessed participation of more than **80 representatives** from Government ministries, financial institutions, provincial departments of planning and investment, women entrepreneurs associations, among others. In addition to taking stock of the annual progress of 2021, the meeting facilitated discussion on improving two key interventions under the CWE programme: a) the digital sub-portal for women entrepreneurs; and b) the draft national program for increasing competitiveness of women-owned enterprises in Viet Nam. Opportunities for potential collaboration were discussed between central and local government stakeholders, business support organizations and service providers such as VP Bank and ACB Bank.

The Programme is active across  
**SOUTH ASIA, SOUTH EAST ASIA and THE PACIFIC.**

With on-the-ground activities in:



BANGLADESH



CAMBODIA



FIJI



NEPAL



SAMOA



VIET NAM

(1) GSO 2014 (2) HAWASME and MBI 2016 (3) IFC 2017 (4) The World Bank Doing Business 2020 (5) Law No.04/2017/QH14 (6) WEF 2014. (7) GSO 2017



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