

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET



Viet Nam: 2021 Commitments (\$ million)^a

Product Type	Sovereign	Nonsovereign	Total	COVID-19 Response
Loans	58.00	184.50	242.50	-
Grants	2.00	0.75	2.75	-
Technical Assistance ^b	12.85	1.46	14.31	2.37
Trade and Supply Chain Finance Program ^c	-	662.89	662.89	662.89
Total	72.85	849.60	922.45	665.26

- = nil, COVID-19 = coronavirus disease, DMC = developing member country, TA = technical assistance.

Notes:

Commitment is the financing approved by ADB's Board of Directors or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and TA include ADB-administered cofinancing.

^a Numbers may not sum precisely because of rounding.

^b Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^c ADB-financed commitments from private sector programs of which \$599.48 million is short term (with maturity of less than 365 days).

ADB's assistance to Viet Nam focuses on supporting economic recovery from the COVID-19 pandemic and creating a climate resilient and sustainable economy driven by the private sector.

VIET NAM

Before the coronavirus disease (COVID-19) pandemic, Viet Nam's annual economic growth rate averaged at 6.3% from 2010–2019, propelled by investments, a buoyant domestic consumption, rising middle class, and export-oriented manufacturing. Viet Nam weathered the COVID-19 impacts well in 2020, sustaining growth at 2.9%, among the highest growth in the Asia and Pacific region. However, the rise of COVID-19 cases from the Delta variant in 2021 severely affected the economy, dragging down the 2021 growth to 2.6%. Gross domestic product growth is forecast at 6.5% in 2022 and 6.7% in 2023—a rebound made possible by Viet Nam's high COVID-19 vaccination coverage, the shift to a more flexible pandemic containment approach, expanding trade, and the Government of Viet Nam's economic recovery and development program.

Viet Nam was one of the founding members of the Asian Development Bank (ADB) in 1966. ADB has since supported the country's poverty reduction achievements and has more recently been helping guide measures to increase the inclusiveness of infrastructure and service delivery, and improve environmental sustainability and climate change response.

To date, ADB has committed 456 public sector loans, grants, and technical assistance totaling \$16.5 billion to Viet Nam. Cumulative loan and grant disbursements to Viet Nam amount to \$11.96 billion. These were financed by regular and concessional ordinary capital resources, the Asian Development Fund, and other special funds. ADB's ongoing sovereign portfolio in Viet Nam includes 35 loans and 3 grants worth \$3.62 billion.¹

Viet Nam: Cumulative Commitments^{a,b,c,d}

Sector	No.	Total Amount (\$ million) ^a	% of Total Amount ^a	COVID-19 Response (\$ million) ^a
Project and Technical Assistance	577	17,687.66	75.18	17.58
Agriculture, Natural Resources, and Rural Development	105	1,844.64	7.84	0.13
Education	44	1,116.90	4.75	-
Energy	63	2,934.83	12.47	-
Finance	61	1,261.73	5.36	5.33
Health	44	762.11	3.24	11.83
Industry and Trade	16	202.43	0.86	0.07
Information and Communication Technology	-	0.59	0.00	-
Multisector	7	154.30	0.66	-
Public Sector Management	87	1,824.26	7.75	0.06
Transport	92	5,980.99	25.42	0.05
Water and Other Urban Infrastructure and Services	58	1,604.87	6.82	0.11
Trade and Supply Chain Finance Program^f	17,847	5,838.22	24.82	1,188.64
Finance	10,204	3,250.56	13.82	925.77
Industry and Trade	7,643	2,587.67	11.00	262.88
Total	18,424	23,525.88	100.00	1,206.23

- = nil, 0.00 = less than 0.005%, COVID-19 = coronavirus disease, DMC = developing member country, TA = technical assistance.

^a Grants and TA include ADB-administered cofinancing.

^b Includes loans, grants, equity investments, TA, and private sector programs.

^c Using primary sector in the reporting of commitments.

^d From 2020, financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^e Numbers may not sum precisely because of rounding.

^f ADB-financed commitments from private sector programs of which \$5.62 billion is short term (with maturity of less than 365 days).

¹ Sovereign portfolio consists of loans, grants, equity investment, and sovereign guarantee committed and not financially closed. Regional projects with loans/grants to multiple countries are reported separately.



ADB's sovereign pipeline for Viet Nam for 2022–2024 includes 19 projects with an estimated amount of \$3.37 billion. ADB continues to help Viet Nam emerge from the COVID-19 pandemic, enhance transportation and urban development, improve rural connectivity, and reduce pockets of poverty in remote areas of ethnic minorities. ADB will support improved access to quality education and health security, climate change adaptation and environmental sustainability, and better integration into the regional and global economy.

In 2021, ADB committed a \$58 million loan to upgrade transport and water resource infrastructure and improve access to reliable weather and climate data in Binh Dinh and Quang Nam Provinces in the south-central coastal region of Viet Nam. The project will promote inclusive socioeconomic growth for about 243,000 people, including 126,300 ethnic minorities.

To support the Vietnam International Bank to increase its outreach to women-led small- and medium-sized enterprises for access to bank credit, ADB provided a \$0.5 million technical assistance grant in 2021, funded by the Women Entrepreneurs Finance Initiative. ADB also provided support for public-private partnerships, promoting the private sector development and accelerating the reform of state-owned enterprises through a technical assistance of \$4.6 million, funded by the Governments of Australia and Canada.

Nonsovereign operations. Total outstanding balances and undisbursed commitments of ADB's nonsovereign transactions in Viet Nam as of 31 December 2021 was \$1.26 billion representing 8.99% of ADB's total private sector portfolio.

Operational challenges. The prolonged COVID-19 pandemic with the emergence of new variants severely affected the economy and undermined the country's growth potential. ADB will thus prioritize support for Viet Nam's economic recovery. The country also faces increasing severity of climate change impact. In response to this, ADB works closely with other organizations to support the government in dealing with post-disaster damage. It also collaborates with the World Bank and the Government of the Netherlands on a program to develop infrastructure resilient to climate change in the Mekong Delta.

The Government of Viet Nam has made efforts to improve its legal framework on the management of official development assistance (ODA). Some obstacles remain and continue to delay ADB project processing and loan disbursement. To address these, ADB and other development partners continue to dialogue with the government to streamline medium-term investment planning processes, accelerate disbursements under ODA and concessional loans, and strengthen procurement capacity.

KNOWLEDGE WORK

After consultations with government agencies, ADB completed a comprehensive knowledge needs assessment in 2021 to better understand the country's needs and priorities for ADB's knowledge support. It was part of the preparation of the ADB Country Knowledge Plan for Viet Nam for the upcoming period. Knowledge solutions will be delivered to

Viet Nam: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	Goods, Works, and Related Services	
	Amount (\$ million)	% of Total
2020	378.33	1.65
2021	343.08	2.20
Cumulative (as of 31 Dec 2021)	8,006.56	3.45

Item	Consulting Services	
	Amount (\$ million)	% of Total
2020	21.59	2.95
2021	11.98	1.72
Cumulative (as of 31 Dec 2021)	203.12	1.37

Item	Total Procurement	
	Amount (\$ million)	% of Total
2020	399.92	1.69
2021	355.06	2.18
Cumulative (as of 31 Dec 2021)	8,209.68	3.32

Top 5 Contractors/Suppliers from Viet Nam Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2017–31 December 2021

Contractor/Supplier	Sector	Contract Amount (\$ million)
The 36 Corporation JSC	EDU	86.82
Civil Engineering Construction Corp.	TRA	64.67
BMT Construction Investment JSC	TRA	41.18
Dai Phu Thinh Co. Ltd.	WUS	32.98
Power Construction JSC No. 1	ENE	29.15
Others		1,522.83
Total		1,777.63

EDU = education, ENE = energy, TRA = transport, WUS = water and other urban infrastructure and services.

Top 5 Consultants from Viet Nam Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2017–31 December 2021

Consultant	Sector	Contract Amount (\$ million)
Asian Management & Development Institute	ANR, EDU, PSM, WUS	5.40
Black & Veatch International Co.	WUS	4.23
Thanh Cong Construction Investment	EDU	2.65
Center for Development of Community Initiative & Environment	ANR	2.49
Freshfields Bruckhaus Deringer (Viet Nam)	FIN, MUL	1.63
Individual Consultants		8.86
Others		42.12
Total		67.38

ANR = agriculture, natural resources, and rural development; EDU = education; FIN = finance; MUL = multisector; PSM = public sector management; WUS = water and other urban infrastructure and services.

Viet Nam: Ordinary Capital Resources Nonsovereign Commitments by Product

	2021	2017–2021
Number of Transactions Signed (OCR)	6	14
Number of Transactions Signed (Programs)	2,555	12,585
	Amount (\$ million)	
Loans	184.50	557.30
Equity Investments	–	20.00
Guarantees	–	–
Debt Security	–	–
Trade and Supply Chain Finance Program and Microfinance Program	662.89	3,242.05
Total	847.39	3,819.35

– = nil, OCR = ordinary capital resources.

improve policy development, enhance stakeholders' capacity, and increase awareness and evidence-based information.

Amid the COVID-19 pandemic, ADB, in collaboration with government agencies, produced reports that assessed impacts of the pandemic on the country, including Digital transformation to power Viet Nam's post-pandemic economic recovery, Assessment of COVID-19 Pandemic on income and employment in Viet Nam and Analysis of fiscal responses to the COVID-19 in Asia with policy implication for Viet Nam.

FINANCING PARTNERSHIPS

Financing partnerships enable ADB's partner governments or their agencies, multilateral institutions, and private organizations to participate in ADB projects. The additional funds may be in the form of loans and grants, technical assistance, and nonsovereign cofinancing.

Cumulative cofinancing commitments in Viet Nam:

- Sovereign cofinancing: \$4.59 billion for 61 investment projects and \$134.22 million for 97 technical assistance projects since 1972
- Nonsovereign cofinancing: \$11.92 billion for 13 investment projects since 1998

In 2021, Viet Nam received a \$2 million grant cofinancing from the High-Level Technology Fund for the Climate Resilient Inclusive Infrastructure for Ethnic Minorities Project I.

A summary of projects with cofinancing from 1 January 2017 to 31 December 2021 is available at www.adb.org/countries/viet-nam/cofinancing.

FUTURE DIRECTIONS

ADB is currently preparing a country partnership strategy to support Viet Nam over 2023–2026. The bank has worked out a core pipeline of projects for 2022–2024 that uses more responsive financing modalities and considers Viet Nam's priorities for medium- and long-term post-pandemic recovery. ADB's integrated sovereign, nonsovereign, and knowledge approach aims to support the priority areas of the government's Socioeconomic Development Plan, 2021–2025 with focus on inclusive growth; private sector growth; a green and climate-compatible recovery; and a climate-, disaster-, and pandemic-resilient society.

ADB will diversify its sovereign operations in Viet Nam from the central to the provincial level as an effective means of reaching areas of the country that are left behind and to enable integrated solutions to subnational development challenges. ADB will maintain its engagement in large national projects prioritized by the government in 2022–2024.

Viet Nam: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2020–2021

No. of Ongoing Loans ^a (as of 31 Dec 2021)	35	
	2020 (\$ million)	2021 (\$ million)
Contract Awards ^{b,c}	309.63	363.02
Disbursements ^b	361.61	272.13
No. of Ongoing Grants ^{a,d} (as of 31 Dec 2021)	3	
	2020 (\$ million)	2021 (\$ million)
Contract Awards ^{b,c,d}	–	2.94
Disbursements ^{b,d}	2.60	0.35
At Risk Projects (%) (as of 31 Dec 2021)	30	

– = nil.

^a Based on commitments.

^b Includes closed loans/grants that had contract awards or disbursements during the year.

^c Excludes policy-based, results-based, financial intermediation/credit, CPRO (COVID-19 Pandemic Response Option), and cofinanced loans and grants.

^d Includes only Asian Development Fund and other ADB special funds.

Viet Nam: Independent Evaluation Ratings for Sovereign and Nonsovereign Operations, 2012–2021

	Total Number of Validated and Evaluated Projects and Programs	Evaluation Ratings		
		Highly successful and successful	Less than successful	Unsuccessful
Sovereign Operations	51	38	13	–
Nonsovereign Operations	3	2	–	1

– = nil, IED = Independent Evaluation Department.

Note: The numbers indicate sovereign and nonsovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2011 to 30 June 2021. See evaluations related to Viet Nam.

Source: IED success rate database.

Viet Nam: Projects Cofinanced, 1 January 2017–31 December 2021

Cofinancing	No. of Projects	Amount (\$ million)
Sovereign	19	780.27
Loans	2	724.02
Grants	9	30.03
Technical Assistance	8	26.22
Nonsovereign	12	6,654.27

ADB AT A GLANCE

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It has 68 members—of which 49 are from Asia and the Pacific and 19 outside. ADB headquarters is in Manila, Philippines and has 43 offices around the world, with 3,693 staff from 65 of its members as of 31 December 2021.

ADB maximizes the development impact of its assistance to its developing members by providing financing and tailored knowledge solutions through policy dialogue and advisory services, among others. It mobilizes financial resources through cofinancing from official, commercial, and export credit sources.

ADB pivoted swiftly to answer the needs of its developing members and will remain agile and responsive in the years ahead. It has started to see the shoots of a green recovery, but the long-term effects of the COVID-19 pandemic, climate change, and the outbreak of conflicts still threaten lives and prosperity. ADB will continue to work closely with members and development partners through these challenges to achieve a better future for all in Asia and the Pacific.

ADB operations. In 2021, ADB committed \$22.8 billion in loans, grants, equity investments, private sector programs, and technical assistance both to the public and private sectors of its borrowing members. ADB bolstered its total support with cofinancing of \$12.9 billion.

As of 31 December 2021, ADB's cumulative commitments in 45 countries stood at \$342 billion covering 4,061 loans, \$11.7 billion in 521 grants, and \$5.2 billion in technical assistance grants, including regional technical assistance grants.

In addition to loans, grants, and technical assistance, ADB uses guarantees and equity investments to help its developing member countries.

Total commitments in nonsovereign loans and equity investments from ADB's own funds in 2021 amounted to \$1.2 billion for 35 transactions in economic and social infrastructure, finance sector, and agribusiness.

In 2021, ADB mobilized \$1.7 billion of long-term project cofinancing and \$5.8 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and undisbursed commitments of nonsovereign transactions funded by ADB's own resources stood at \$14 billion as of 31 December 2021.

FINANCING PARTNERSHIPS

Total sovereign and nonsovereign cofinancing commitments, 2021

- \$12.93 billion for 187 projects, of which:
 - » \$12.38 billion, 75 investment projects,
 - » \$134.67 million, 110 technical assistance projects,
 - » \$422.87 million transaction advisory services for 2 projects.

Cumulative sovereign and nonsovereign cofinancing commitments, 1970–2021

- \$140.43 billion for 3,165 projects, of which:
 - » \$136.6 billion, 1,098 investment projects,
 - » \$2.8 billion, 2,061 technical assistance projects,
 - » \$1.07 billion transaction advisory services for 6 projects.

PROCUREMENT

ADB's Procurement Contracts, 2021

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations:

- \$22.93 billion in 2020
- \$15.6 billion in 2021
- \$232.16 billion covering 225,336 contracts, cumulative procurement since 1966

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations:

- \$730.78 million in 2020
- \$697.03 million in 2021
- \$14.86 billion covering 71,348 contracts, cumulative procurement since 1966

MORE ABOUT VIET NAM AND ADB

Shareholding and Voting Power

Number of shares held:	36,228 (0.34% of total shares)
Votes:	75,342 (0.57% of total membership, 0.87% of total regional membership)
*Overall capital subscription:	\$507.04 million
*Paid-in capital subscription:	\$32.9 million

*United States dollar figures are valued at rate as of 31 December 2021.

ADB Governor: Nguyen Thi Hong

ADB Alternate Governor: Pham Thanh Ha

ADB Director: Sangmin Ryu (Republic of Korea)

ADB Alternate Director: Damien Horiambe (Papua New Guinea)

Annual Meeting

Ha Noi, 44th Annual Meeting, 5–6 May 2011

CONTACTS

Viet Nam Resident Mission

Established: 1997

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Useful ADB websites

Asian Development Bank
www.adb.org

Annual Report
www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

ADB Data Library
data.adb.org

Notes: (i) Figures are estimated by ADB unless otherwise stated. “\$” refers to United States dollars. (ii) Data are updated as of 31 December 2021 unless otherwise indicated. (iii) ADB recognizes Vietnam as Viet Nam.