

BIDV **R**eview



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PROMOTING SUSTAINABLE FINANCE

**BIDV NAMED BEST STATE-OWNED
RETAIL BANK IN VIETNAM**



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BIDV REVIEW

BIDV AT A GLANCE

The Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV), founded on 26 April 1957, is the longest-established commercial bank in Vietnam. The bank's operations cover banking, insurance, securities, and financial investment, boasting a network of nearly 1,100 branches and transaction offices as well as presence in six countries and territories. BIDV is headquartered in Hanoi, the capital of Vietnam. The bank's stock (ticker: BID) is listed on Ho Chi Minh City Stock Exchange (HOSE).



VISION 2030

- ◆ To become a leading financial institution in Southeast Asia, have the best digital platform in Vietnam, and be among Top 100 largest banks in Asia.

MISSION

- ◆ To deliver the best interests and conveniences to customers, shareholders, employees and society.

CORE VALUES

- ◆ Intelligence
- ◆ Belief
- ◆ Integrity
- ◆ Detail orientation
- ◆ Vitality



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Editor's Letter

Dear readers,

BIDV has released its audited consolidated financial report with impressive highlights. In particular, total assets reached VND2.12 quadrillion (USD90.2 billion). BIDV continues to be the largest joint stock commercial bank by total assets in Vietnam. The difference in revenue and expenditure in 2022 was VND47,025 billion (USD2 billion), an increase of 9.3 percent compared to 2021. Consolidated profit before tax was VND23,009 billion (USD980 million), growing by 69.8 percent compared to 2021.


With impressive business results and outstanding services for individual customers, BIDV has been named by The Asian Banker as "Best State-Owned Retail Bank in Vietnam". BIDV also won 3 more awards including Best Private Banking Service in Vietnam, Best Home Loan Financing, and Best International Credit Card in Vietnam.

For outstanding performance in foreign exchange, BIDV was also awarded Best FX Bank in Vietnam by Asian Banking & Finance and The Asian Banker. This is the 4th year BIDV has been honored by Asian Banking & Finance and the 2nd time by The Asian Banker.

A companion for businesses, BIDV has created favorable conditions for businesses to access preferential bank loans to promote effective production and business activities. The bank has developed the SMEasy digital platform under the One-stop shop model since end-

2022, providing comprehensive financial and non-financial solutions for SMEs. Since the start of 2023, BIDV has launched preferential credit programs for corporate customers with a total scale of about VND180 trillion, reducing interest rates by 0.5-1.5 percent/year, with priority given to SME customers. BIDV also bolsters domestic and foreign cooperation to timely bring entrusted funds and grants to SMEs.

The State Bank of Vietnam (SBV) made policy interest rate cuts to stabilize the monetary market and support economic growth. Accordingly, the refinancing rate is maintained at 6 percent p.a.; the rediscounting rate is reduced to 3.5 percent per year from 4.5 percent per year. Overnight electronic interbank rate and interest rate for loans to offset capital shortages in clearance between the central bank and commercial banks have also decreased from 7 percent per year to 6 percent per year.

Many significant changes in the responsibilities of bond issuers are included in a Government's new Decree No.08/2023/ND-CP amending and supplementing the rules for offering and trading private corporate bonds. The decree which came into effect on 5 March 2023, allows enterprises to extend the term of bonds by up to two years. Bond issuers can negotiate with the bondholders to settle the debts by swapping the bond debt with other assets. The decree also temporarily suspends regulations on categorizing the status of professional stock investors as individuals. 



BIDV HIGHLIGHTS

03. BIDV releases audited financial report



04. BIDV honoured with retail bank award



07. Active support for businesses

08. Promoting sustainable finance

10. Driving green and digital transition

INSIGHTS

12. Inflation forecasts and implications

14. Boosting green and sustainable FDI

16. Huge room for digital transformation in banking

POLICY UPDATE

18. New decree eases pressure on bond issuers



20. Central bank cuts rate to support economic growth

MARKET MOVEMENTS

21. Economic highlights in the first quarter

PRODUCTS & SERVICES

22. Attractive loan packages for individual customers



LIFESTYLE

24. Art investment and conservation

26. Discover Moc Chau plateau






CSR

28. Planting trees for a green life



BIDV releases audited financial report

BIDV has released its audited consolidated financial report with impressive highlights.

-  **Total assets reached VND2.12 quadrillion (USD90.2 billion). BIDV continues to be the largest joint stock commercial bank by total assets in Vietnam.**
-  **The difference in revenue and expenditure in 2022 was VND47,025 billion (USD2 billion), an increase of 9.3 percent compared to 2021.**
-  **Consolidated profit before tax was VND23,009 billion (USD980 million), growing by 69.8 percent compared to 2021.**



A transaction office of BIDV in Hanoi

Total assets reached VND2.12 quadrillion (USD90.2 billion), an increase of 20.4 percent compared to 2021. BIDV was the first commercial bank to surpass the milestone of VND2 quadrillion, continuing to maintain the position as the largest joint stock commercial bank by total assets in Vietnam.

Total outstanding loans and investment as of 31 December 2022 reached VND1.99 quadrillion (USD87 billion), an increase of 18.4 percent compared to the beginning of the year. In which, the credit balance was VND1.5 quadrillion (USD64 billion), up 12.65 percent compared to the beginning of the year, higher than the implementation level of 2021 (11.2 percent), ensuring compliance with the credit limit assigned by the State Bank (12.7 percent), leading

the market by credit market share (accounting for about 13 percent).

Total mobilized capital as of 31 December 2022 reached VND1.97 quadrillion, up 20.2 percent compared to the beginning of the year; of which, capital mobilized from organizations and individuals reached VND1.64 quadrillion (USD84 billion), growing by 8.4 percent compared to the beginning of the year and accounted for about 14 percent of the deposit market share of the whole banking industry.

The bad debt ratio as of 31 December 2022 according to State Bank's Circular 11 was controlled at 0.96 percent, lower than the target set by the General Meeting of Shareholders in Resolution No. 383/2022/NQ-DHDCD dated 29 April 2022 (<1.6 percent); The bad debt coverage ratio of the commercial banking as of 31 December 2022 stood at 226 percent.

Total income reached VND146,049 billion (USD6.2 billion), an increase of 16.2 percent compared to 2021. The difference in revenue and expenditure in 2022 was VND47,025 billion (USD2 billion), an increase of 9.3 percent compared to 2021. BIDV was the market leader in terms of the difference in revenue and expenditure.

Profit before tax of the commercial banking in 2022 reached VND22,506 billion, up 79.4 percent compared to 2021. Consolidated profit before tax was VND23,009 billion (USD980 million), growing by 69.8 percent compared to 2021, completing 112 percent of the plan stated in the Resolution of the 2022 General Meeting of Shareholders. Profitability and safety indicators of the bank's system were ensured: ROA was 0.95 percent, approaching 1 percent for the first time; ROE was 19.34 percent, exceeding the set plan. **R**

KIEU NHUNG

BIDV honoured with retail bank award

With impressive business results and outstanding services for individual customers, BIDV has been named by The Asian Banker as “Best State-Owned Retail Bank in Vietnam”.

- ✦ BIDV is the first state-owned commercial bank in Vietnam to provide an internationally standardized private banking service.
- ✦ BIDV Private Banking International Credit Card is a product designed exclusively for high-net-worth customers, adding a difference to BIDV.
- ✦ BIDV is also the first bank in Vietnam to launch home loans on the mobile platform with the BIDV Home app.



Representatives of BIDV receive the “Best State-owned Retail Bank in Vietnam” award from The Asian Banker

BIDV also won 3 more awards including Best Private Banking Service in Vietnam, Best Home Loan Financing, and Best International Credit Card in Vietnam.

In 2022, BIDV continued to maintain its position as number one retail bank in the market in terms of deposit market share, loans, and customer base. The bank’s retail banking activities in 2022 shed lights in transforming the business model with a customer-centric approach.

CUSTOMER CENTRICITY

BIDV implements serving models according to customer segments, promoting new selling models, developing service and product packages that are tailored to customers’ characteristics, with a focus on digitizing operational processes and services and products.

BIDV pays attention to every touch-point in the customer experience journey, listening to customers through all channels (voice, chat,

email, Zalo, Facebook, app stores, Tik Tok, etc.), and applies automation and data analytics tools to proactively detect issues and resolve them promptly. Proactive implementation of solutions to minimize customer experience interruptions is a significant highlight that differentiates BIDV from other banks in the market.

In particular, BIDV is the first state-owned commercial bank in Vietnam to provide an internationally standardized private banking service, establishing the Private Banking

Center with high-class, modern service quality and customer experience. Here, customers are dedicatedly served by a team of wealth managers and advisors well trained by leading international consulting partners.

LEADER IN PRIVATE BANKING AND BLACK CARD

BIDV defines the core values of Private Banking services, including Reliable Partnership, Global Connections, Specialized Services, and Infinite Privileges, to provide specialized, sustainable, and internationally standardized financial solutions. With the most comprehensive and diversified product portfolio in the market, the exclusive services not only provide customers with premium experiences but also comprehensive care for their families, including three exclusive privileges: Lifestyle, Health, and Travel.

BIDV Private Banking International Credit Card is a product designed exclusively for high-net-worth customers, adding a difference to BIDV which makes the bank a market leader for credit cards for private banking customers. In addition to the intelligent payment function of a financial product, it is also a powerful black card that shows the cardholder's status and identifies BIDV Private Banking's customers in and



outside Vietnam. With an ecosystem of thousands of partners across markets in fields such as aviation, resorts, cuisine, golf, spa, and health care, as well as a team of wealth managers to provide private support for customers, the BIDV Private Banking card accompanies and meets all customers' spending needs, bringing unlimited premium service experiences and enjoying a luxurious life.

With standardized steps in 2022, BIDV was honoured to receive double awards for the private banking segment namely "Best Private Banking Service in Vietnam" and "Best International Credit Card in Vietnam."

COMPREHENSIVE DIGITAL TRANSFORMATION

Identifying digital transformation as the core of success, BIDV has focused on digitizing services and products at the highest level. The BIDV SmartBanking application provides a full ecosystem of services and products on digital channels, covering all retail banking transactions and many additional features such as creating income and expenditure accounts, accumulating Membership

Rewards, exchanging points, and immediate cashback, enhancing seamless experiences and customer loyalty. In particular, BIDV has launched Smart Kids - the first digital bank in the market for children, which accompanies parents on educating their children on finance with outstanding features and utilities.

BIDV is also the first bank in Vietnam to launch home loans on the Mobile App platform with the BIDV Home application, which integrates an automatic retail loan origination system (RLOS) to digitize and automate the lending process.

BIDV's home loan product has maintained its leading position for years thanks to standardized process, streamlined procedures, and application of modern technology that shortens loan processing time and provides the best services. In addition, BIDV Home has been an all-in-one application for the ecosystem of home loan products, providing an excellent experience at every touch point for customers, creating a new channel for project developers to sell and approach new customers on the digital platform. 

MINH HUYEN

BIDV named Best FX Bank in Vietnam

With outstanding performance in foreign exchange, BIDV was awarded Best FX Bank in Vietnam by Asian Banking & Finance and The Asian Banker.

- ✦ This is the 4th year BIDV has been honored by Asian Banking & Finance and the 2nd time by The Asian Banker.
- ✦ Customers can buy and sell foreign currencies via online applications such as BIDV Smart Banking for individual customers or BIDV iBank for institutional customers.

This year marked the 4th time BIDV has been honored by Asian Banking & Finance and the 2nd time by The Asian Banker.

The awards are given following a comprehensive assessment covering areas ranging from technologies, products, mechanisms and policies to transaction processes. BIDV always focuses on improving its foreign exchange portfolio to ensure flexible transaction mechanisms, streamline procedures and enhance cross-selling of other products and services; thereby meeting the diverse needs of customers for exchange rate and interest rate hedging.

BIDV considers technology a leading factor and great contributor to increasing the competitiveness of its products and services. Customers can buy and sell foreign currencies to their payment needs through online applications such as BIDV Smart



BIDV receives two FX awards from Asian Banking & Finance and The Asian Banker

Banking for individual customers or BIDV iBank for institutional customers. They provide an optimal solution for the transaction journey of customers, especially those who are hindered by their locations, including FDI enterprises.

Thanks to the robust competitiveness in product quality and transaction technology, the number of foreign exchange customers at BIDV has grown rapidly and continuously in recent years. BIDV has served hundreds of thousands of customers every year with a total volume of tens of billions of USD. With a wide network and firm position in the foreign exchange market, BIDV has

always accompanied and is willing to meet the foreign currency payment needs of individuals and businesses in extremely volatile market conditions like in 2022.

The foreign exchange bank of the year awards are the international recognition of BIDV's outstanding achievements in developing its value chain. With a vision to 2030 to become "the leading financial institution in Southeast Asia, having the best digital platform in Vietnam, and among Top 100 largest banks in Asia", BIDV has constantly improved its digital ecosystem to bring diverse products and services with outstanding features and optimal experience to customers. 

QUOC THINH

Active support for businesses

BIDV has implemented the Banks - Businesses Connection program in Ho Chi Minh City since 2012 in accordance with the direction of the Government and the State Bank of Vietnam. The program has created favorable conditions for businesses to access preferential bank loans to promote effective production and business activities..

The program focuses on supporting customers in 05 economic groups and sectors (agriculture and rural areas, exports, small and medium-sized enterprises, supporting industries, and high-tech enterprises) with interest rates of short, medium and long-term loans being at least 1 percent per year lower than normal lending rates. Small and medium businesses according to the Government's regulation; customers borrowing loans to develop key and potential products and products of the city are facilitated by credit institutions for quick loan disbursement or reduction of interest on the previous loans, etc.



BIDV is one of the pioneering commercial banks to launch the banks-businesses connection program with the largest scale of credit packages. From VND30 trillion (USD1.3 billion) in 2012, the size of the bank's credit package has increased by more than 2.5 times to reach VND80 trillion (USD3.4 billion) in 2022 for over 3,000 businesses in all 23 districts of Ho Chi Minh City. Accumulated disbursement reached over VND104 trillion (USD4.4 billion) as of 31 December 2022.

BIDV's credit packages at large scale have supported businesses in

accessing bank loans at attractive interest rates. Besides, BIDV also provides hi-tech banking services such as BIDV iBank, and SCF to meet the increasing needs of businesses During the outbreak of the Covid-19 pandemic, BIDV accompanied businesses to overcome difficulties, resume production and business by exempting and reducing loan interest, rescheduling debt repayment terms, keeping the debt group unchanged, as well as offering preferential service fees.

BIDV's active participation in the program has helped promote its

image in Ho Chi Minh City, promoting the growth in outstanding loans in the corporate segment, and acquired new business customers. By the end of 31 December 2022, BIDV's outstanding balance of corporate customers in Ho Chi Minh City grew by about 6 percent compared to the beginning of 2021, with the average growth rate in the last 5 years being 5.5 percent. BIDV continues to be the leading credit institution which accounts for a large share of credit in the corporate segment in the city. 

PHUONG ANH

Promoting sustainable finance

BIDV was the pioneering bank to issue a Sustainable Loan Framework in February this year. On this occasion, Mrs. Pham Thi Ngoc Anh - Head of Financial Institutions Department and Head of BIDV Sustainable Finance Project Management Unit – shares with BIDV Review about the bank's sustainable finance implementation.

Could you brief about the sustainable loan framework which has been newly issued by BIDV?

It is required to develop a sustainable loan framework to implement sustainable finance activities at BIDV. This is the initial basic document that defines elements and characteristics of green loans, social loans, and sustainability-linked loans at a bank. Besides, the framework is also a fundamental document for distinguishing traditional credit products and sustainable credit products according to the standards/principles that the framework adheres to.

With support and consultation by Carbon Trust's experienced experts on sustainable finance, BIDV has developed and issued the sustainable development framework in line with international principles as well as local legal regulations. The framework includes descriptions of green loans, social loans, and sustainability-linked loans at BIDV in accordance with the principles applied by the framework, namely Green Loan Principles, Social Loan Principles and Sustainability-Linked Loan Principles co-issued by the Lending Market Association, Loan Syndications and Trading Association and Asia Pacific Loan Market Association.



Mrs. Pham Thi Ngoc Anh

What is the gap between international standards on sustainable lending and actual application in Vietnam, and can the Framework help fill that gap?

All green projects approved for financing by BIDV comply with Vietnam's law on social and environmental issues such as the Law on Environmental Protection, policies on compensation and resettlement support. Projects with loan sourced from donors will be screened and classified for a valid environmental - social risk rating according to the

criteria of the international donors. Therefore, it takes BIDV a lot of time to screen, select and classify environmental and social risks of projects financed by the capital source according to international standards.

However, currently, legal regulations, guiding documents on standards and criteria for determining sustainability (especially social and sustainable contents) and guidance on the management of environmental and social risks in Vietnam have not been fully formulated and promulgated. Therefore, there is still a certain gap between international standards on sustainable financing and actual implementation in Vietnam. Sustainable loans usually comply with sustainability standards applied by international funding institutions (directly or indirectly through banks in Vietnam). In addition, there are also a number of different standards in the world, so the application to sustainable loans in Vietnam is also different.

The sustainable loan framework is developed towards international standards, thus it helps narrow the gap between international standards and those applied in Vietnam. It also facilitates BIDV to research and apply to meet international standards and criteria for sustainable financing, with

the application to internal banking activities in the immediate future.

Could you please share the challenges facing BIDV in the implementation of sustainable loans in Vietnam?

BIDV is now the market leader in green financing with outstanding loans of about USD2.7 billion (as of 31 December 2022), accounting for 4.3 percent of BIDV's total loans and 13 percent of the total outstanding loans to the green sector of the economy. However, there remain difficulties and challenges in the green credit activities, particularly:

Legal framework in Vietnam is in the process of being formulated and finalized. There are currently no environmental criteria and green loan/project validation criteria, no monetary - credit policy tool to incentivize banks to participate in green project financing. While green and sustainable finance requires intensive environmental technical factors, the lack of general national regulation on green project criteria and list for economic sectors as a basis for determining green financing will cause difficulties for credit officers when appraising and evaluating the effectiveness of the project and the repayment ability of customers.

Regarding policies and personnel, currently, the contents of sustainable finance are being integrated in BIDV's documents and strategies. However, there is no separate and specific policy or process to integrate ESG (environmental, social and governance) factors into the bank's business activities. In addition, the bank still lacks sustainable finance

experts. The awareness as well as professional capacity of the bank staff also needs to be trained and improved to be able to support BIDV in implementing sustainable finance. Therefore, the implementation of sustainable loans in Vietnam requires a major change in the bank's policies and processes, as well as large investments in human resources (training, knowledge and awareness of sustainable development, etc.), effort and time.

Regarding awareness, individuals/businesses are not properly and fully aware of the impact of environmental and social risks on their business activities, resulting in difficulties for banks in the management of post-disbursement environmental and social risks. Although green and sustainable credit brings about economic and social benefits in the medium and long term, it costs the businesses much to invest in energy-efficient technologies and waste treatment. Besides, the limited understanding and willingness of Vietnamese enterprises to practice ESG is also a barrier for banks in the sustainable financing activities.


Regarding capital sources, as there are no regulations on conditions on loans in foreign currencies, banks when mobilizing foreign currencies from abroad to lend to domestic customers/projects (including green ones), have to convert the foreign currencies to VND. Green projects are usually long-term, with large investment costs and long payback periods, while loans mobilized at reasonable costs by credit institutions are mainly short and medium term. Therefore, in order to strengthen the green credit portfolio, banks should

be cautious in balancing capital and ensure the ratio of short-term loans to medium and long-term loans according to regulations.

Besides the sustainable loan framework, could you please share more about the bank's plan on sustainable finance?

According to BIDV's business development strategy to 2025, with vision to 2030, the bank is committed to implementing green credit packages to finance customers in the fields of renewable energy, clean energy, low-carbon emitting industries and adaptation to climate change.

Along with the issuance of the sustainable loan framework, BIDV has been collecting information and surveying corporate customers' needs for sustainable financing products and has received positive signals from the businesses. The bank is also in the process of researching and screening to select customers to pilot green loan products under the sustainable loan framework. In addition, BIDV is continuing to work with international organizations and consultants to fine-tune the environmental and social risk management system in credit extension (according to the State Bank's Circular 17/2022/TT-NHNN dated 23 December 2022).

The bank has been developing an action program on ESG and sustainable finance development for the period of 2023 - 2025, with a vision to 2030 in order to synchronously implement and integrate ESG into the bank's operations, contributing to the implementation of the Government of Vietnam's commitment to net-zero by 2050. 

Driving green and digital transition

- ✦ **BIDV affirms its active role in promoting sustainable development, energy transition, and supporting the business community.**
- ✦ **BIDV became the first commercial bank in Vietnam to announce a sustainable loan framework for customers.**
- ✦ **As a key commercial bank in the Vietnamese banking system with years of experience in lending sustainable energy infrastructure investments, BIDV has effectively served and re-lent funds from international financial institutions.**



Forum on driving twin green and digital transition

The Vietnam Connect 2023 forum themed “New breakthroughs for central Vietnam, driving twin green and digital transition in sustainable economic growth strategies” and co-hosted by the Vietnamese Ministry of Foreign Affairs, Da Nang City People’s Committee and the Vietnam Economic Times was held in the central city of Da Nang on 17 March. BIDV was the only bank to sponsor the forum.

Participating in the forum, BIDV continued to affirm its active promotion of sustainable development, contributing to the implementation of the global energy transition, and accompanying and

supporting the business community, especially ones in the central and central highlands region.

By the end of 2022, BIDV led the market in green project financing with more than 1,386 customers and projects. Total amount of credit commitments for green projects was more than VND61,700 billion, with a focus on renewable energy sector with more than 800 projects. The total amount of credit commitments for renewable and clean energy projects was more than VND53,200 billion.

Green loans currently account for 3.3 percent of BIDV’s total outstanding loans, equivalent to VND49 trillion (USD2.1 billion). For wind and solar power projects with a loan scale of over VND500 billion alone, in the period of 2020-2021, BIDV had financed 25 projects with a total

loan amount of VND23,400 billion (equivalent to USD1 billion).

Green growth towards sustainable development is an important goal and the highest priority of countries around the world, including Vietnam. As a country heavily affected by the climate change, Vietnam soon realized the importance of implementing green transition by actively approaching models of circular economy, sharing economy, and green economy. Over the years, Vietnam has made great efforts to approach new world trends, advanced production and business models, and apply digital technology, gradually replacing traditional operating methods, mitigating the level of impact on the natural environment and human living environment. It is proved that that the data and digital technology platforms of the 4th industrial

revolution are likely to improve, effectively addressing the urgent challenges posed to the world and countries related to environmental issues and climate change. World's digital technology experts say that 4.0 technology solutions have the potential to cut global emissions by 20 percent by 2030.

Driving twin green and digital transition has drawn the attention of countries around the world. Based on the needs and requirements of Vietnam, it is necessary to accelerate the process of green transition to achieve green growth and meet the roadmap to deliver Vietnam's commitments of net-zero by 2050 at COP26. It is necessary and urgent to raise the issue of "driving twin" to discuss its appropriateness as well as find effective solutions to promote this process at localities and with economic sectors.

In February this year BIDV became the first commercial bank in Vietnam to announce this comprehensive framework for its customers, creating opportunities for the bank to develop and introduce sustainable financial products to the customers, which follow international standards. The framework outlines qualifying activities to guide the development and issuance of thematic loans and sustainability-linked loans.

BIDV is the first commercial bank to sign a memorandum of understanding with Vietnam Ministry of Natural Resources and Environment to implement activities to promote

sustainable and green financial development in Vietnam. In order to contribute to the implementation of the Vietnamese government's commitment at COP26, BIDV has improved institutional capacity; finalized internal processes relating to green credit; established a sustainable finance project management unit (PMU) to deliver the sustainable financial goals, manage ESG risks in credit activities, looking forward to becoming a net-zero bank.

BIDV is also one of the first two banks selected in the technical assistance program under the cooperation plan between the State Bank of Vietnam and the German Agency for International Cooperation (GIZ) to build and complete a Green Bond Framework according to the Climate Bond Initiative (CBI) standards, in accordance with ICMA and ASEAN

standards. With the cooperation and support of the Carbon Trust and the British Embassy in Vietnam, BIDV has developed and issued a Sustainable Loan Framework for green, social and sustainability linked loans and will soon provide internationally standardized products to customers.

As a key commercial bank in the Vietnamese banking system, boasting years of experience in lending sustainable energy infrastructure investments, BIDV has effectively served and re-lent funds from international financial institutions such as AFD, WB. The bank has affirmed its pioneering role in implementing the policies of regulators in promoting green credit, green banking, as well as working positively with international financial institutions to contribute to the global energy transition. 



Inflation forecasts and implications

Vietnam's inflation in 2022 was within set target, lower than many countries. In 2023, although commodity and energy prices tend to decrease, global inflation is quite high, which imposes huge concerns about inflation pressure on Vietnam.

- ✿ Vietnam's average inflation in 2022 was within its target of 3.15 percent, which was relatively low compared to other countries regionally and globally.
- ✿ The average CPI in 2023 is forecast to be higher than 2022 due to both cost-push and demand-pull factors.
- ✿ In positive scenario, the average CPI will increase about 3-3.5 percent.



INFLATION PRESSURE

Amidst the rising commodity prices globally, augmented with supply chain disruptions, the Covid-19 pandemic, Russian-Ukrainian war and complicated and unpredictable geopolitical tension, the global average inflation in 2022 hit its peak of 8.8 percent in the past 22 years. However, Vietnam's average inflation in 2022 was within its target of 3.15 percent, which was relatively low compared to other countries regionally and globally. This is mainly attributed to drastic direction by the Government, close collaboration by the Ministry of Finance and the State

Bank of Vietnam in their policies to manage and control inflation. Besides, it is also due to the latency between global and Vietnam's inflation.

In 2023, Vietnam's inflation is forecast to increase due to 4 main reasons: (i) despite cooling down from the peak, the world commodity prices remain high, especially amidst China reopening, which increases demand, leading to an increase in inflation; (ii) the prices of some items under the State's management such as electricity, medical services, education, base salary have increased following the roadmap (from 1 July 2023); (iii) the snowball effect on consumer prices when the petrol prices increase

is faster than when the prices decrease; (iv) demand-pull pressure tends to increase along with the economic recovery.

However, there are 4 main support factors for inflation control: (i) global commodity prices have cooled down and become less volatile than in 2022 (amidst the expectation that the Russia-Ukraine war will be calmer or the world's adaptability is better, world economic growth slows down causing weak demand); (ii) Vietnam's proactive position in supplying essential goods, ensuring food security and energy security (according to The Economist, in 2022, Vietnam ranked 46th out of

113 globally - up 15 places compared to 2021 and ranked 3rd out of 10 in ASEAN on food security index. According to the World Energy Council, Vietnam ranked 55th out of 122 globally and 5th out of 10 in ASEAN on energy security); (iii) the exchange rate is more stable and interest rates will gradually decrease since the speed and extent of interest rate hikes by central banks globally are expected to decrease gradually in the first half of the year, after which it may move sideways or slightly decrease; and Vietnam's flexibility in operating monetary policy; (iv) there is still room for tax and fee reduction/relaxation in Vietnam in the context that the budget balance is guaranteed, contributing to controlling inflation.

INFLATION SCENARIOS

The average CPI in 2023 is forecast to be higher than 2022 due to both cost-push and demand-pull factors, with the following 3 scenarios.

In baseline scenario, the average CPI will increase about 4-4.5 percent in spite of the falling petrol prices (which is about 15-17 percent YoY following general global downtrend); prices of essential goods are substantially stable; prices of household consumer goods increase slightly by 5-10 percent (due to increased demand and increased base salary); prices of goods under the State's management increase about 10 percent as expected; money supply and exchange rate are well controlled, not causing too big impact on CPI (0.5-0.7 percentage points).

In positive scenario, the average CPI will increase about 3-3.5 percent thanks to sharp decrease of petrol prices following global oil price drop (about 20 percent); prices of essential goods decrease due to

proactive and effective measures to regulate commodity prices and maintain food security and energy security; prices of goods under the State's management increase lower than expected (less than 10 percent); money supply increases slightly by 8-9 percent, exchange rate is stable, causing low impact on CPI (less than 0.5 percentage points).


In negative scenario, the average CPI will increase 5-5.5 percent if the domestic petrol prices increase (due to low tax reduction and higher-than-forecast increase of global oil price); prices of some household consumer goods increase (due to increased demand, increased income along with economic recovery and increased transportation and logistics costs); prices of goods under the State's management increase stronger than expected (over 10 percent); money supply and exchange rate is high, causing strong impact on CPI (probably up to 1-1.5 percentage points).

POLICY RECOMMENDATIONS

It can be seen that Vietnam's inflation is basically under control and lower than the global average, but there is always potential risk, which may escalate if external risks increase or control measures are not coordinated timely and effectively. Therefore, policy regulation in 2023 should inherit the 2022 achievements, continuing the effective and consistent coordination in line with the orientation of "balancing growth and inflation". Accordingly, 3 recommendations are given by the research team of BIDV Training and Research Institute to control inflation, stabilize macro-economy, and support recovery and sustainable development while ensuring balance between growth and inflation.

Firstly, further improve the efficiency of policy coordination (especially between monetary policy, fiscal policy and pricing policy): Continue to coordinate monetary and fiscal policies in a flexible and appropriate fashion to balance money supply and prices and stabilize policy interest rates and exchange rates. Coordinate to effectively implement the components of the 2022 - 2023 socio-economic recovery program (social housing program; 2 percent interest rate reduction program, etc.)

Secondly, effectively control the prices of goods that have big impact on CPI in 2023: stabilize prices of petrol, food and housing and construction materials (these 3 groups account for 80 percent of CPI increase in 2022); calculate and coordinate effectively in adjusting the prices of goods under the State's management, in particular, consider to only increase electricity price and education and health services expense by about 5 percent, avoiding increases concurrently at challenging time in many areas in order to reduce CPI increase pressure and facilitate consistent recovery among different localities and sectors.

Lastly, develop a roadmap and solutions to control inflation in the medium and long term, such as adjusting the structure of the basket of goods for CPI calculation (it may be done every 2 years instead of a 5-year interval) to capture the fast-moving consumer trend, current shift of the basket of goods, in line with international practices. In the longer term, focus should be given to improving the efficiency of economic restructuring and intensive innovation of the growth model, fostering digital economy and increasing productivity, quality and efficiency. 

Boosting green and sustainable FDI

FDI inflows have been channeled into high valued-added industries, high technology, information and communication, manufacturing and processing, according to the 2022 FDI Report released by Vietnam Association of Foreign Invested Enterprises (VAFIE).

-  **As many as 141 countries and territories around the world have poured investment into Vietnam, with a total registered capital of nearly USD440 billion as of February 2023.**
-  **The government and ministries of Vietnam have agreed for years on policies of selective FDI attraction and cooperation, with a focus on quality, efficiency, technology and environmental protection**
-  **Many ecological urban industrial parks have attracted the world's large corporations to invest in high-tech products such as Samsung, LG, Intel, Toyota, and Lego.**

According to the report, as many as 141 countries and territories around the world have poured investment into Vietnam, with a total registered capital of nearly USD440 billion as of February 2023. Over the past 35 years, Vietnam has attracted nearly USD439 billion in FDI, of which USD274 billion has been disbursed.

The report showed FDI into Asia has increased continuously for the past three consecutive years, reaching USD619 billion in 2021. FDI in the green growth sector has risen sharply, up to 70 percent in 2021 compared to 2020. Many countries are preparing to apply the global minimum tax according to the principles of the Organization for Economic Cooperation and Development (OECD).

The report assessed that, given the world political and economic instability and declining global trade and investment in all economic sectors, Vietnam emerged as a country successfully responding to the pandemic, opening the door to the world. The country maintained political stability, stable macroeconomics, and flexible fiscal and monetary policies, achieving the highest growth rate in the region with curbed inflation. Vietnam was evaluated by governments,

international organizations, businesses and foreign investors as a potential destination. In ASEAN, Vietnam's competitor is Indonesia. Indonesia's population and GDP are 3 times those of Vietnam.

In order to effectively implement the orientation on FDI attraction, the report said that Vietnam needs to improve its policies to attract and

Foreign investment projects have made great contributions to Vietnam's socio-economic development. The foreign-invested economic sector has developed rapidly and effectively, becoming an important part of Vietnam's economy, contributing to creating jobs, improving production capacity, stabilizing macro-economy and shifting economic structure.



use FDI with a strong focus on green growth, digital transformation and supply chain connectivity between Vietnamese enterprises and FDI ones, particularly transnational corporations.

Vietnam also needs to fine-tune its institutional and legal frameworks, including the internalization of law on the global minimum tax. Coordinating the relationship between internal and external resources, modernizing socio-economic infrastructure and speeding up national administrative reform... are key solutions proposed to attract and improve the quality and efficiency of FDI in 2023 and the years to come.

The government and ministries of Vietnam have agreed for years on policies of selective FDI attraction and cooperation, with a focus on quality, efficiency, technology and environmental protection. In recent years, green production, sustainable development, circular economy, quality investment, and environmental safety have also been increasingly prioritized by local authorities. Some large investors themselves have also been increasingly improving their investment quality with projects of higher, modern and environment-friendly technologies.

However, according to investors, highly qualified human resources in Vietnam are still modest. It is required that policies on FDI attraction be upgraded not only in terms of quantity but also quality. Metrics should be in place to evaluate the efficiency of the FDI sector, contributing to economic growth towards the circular economy and green growth.

In 2021-2022, Vietnam initially achieved the set goals, making good transitions in implementing the circular economy in many industries and technologies. Many ecological urban industrial parks have attracted the world's large corporations to invest in high-tech products such as Samsung, LG, Intel, Toyota, Lego, etc.

There has been a shift in the quality of projects since the end of 2021, in line with Vietnam's green growth goals. According to foreign investors, thanks to stable macroeconomic background, new green FDI inflows for sustainable development have been strongly directed to Vietnam, accompanied by investment in human resource quality, science and technology and sector ecosystem. 



Huge room for digital transformation in banking

Digital transformation is a process, not a destination. Mr. Nguyen Chien Thang, head of the BIDV Digital Banking Development Centre, talks about the potential rewards.

The retail sector helped banks make huge profits in 2022. What has led to the thriving of this sector? With a population of nearly 100 million people, the penetration rate of financial services and products is not high. This is a fertile market that any financial institution wants to exploit. In recent years, many banks have invested heavily in their strategy of shifting to retail services, and business results in 2022 further proved this as the right strategy.

An important factor for any bank to succeed in the retail segment is to put customers at the centre of all its activities. From the strategy of providing products and services, distribution channels, and ecosystems, to strategies for using technology and internal management as the foundation for all retail support activities, it is necessary to aim at and improve the customer experience.

Comprehensive digital transformation is seen as a decisive pillar to the success of the retail-oriented strategy. Being instant and safe are decisive keywords in the customer experience when using banking services in cyberspace. And banks that have achieved success in the retail segment

know how to exploit and best meet these needs. It is believed that digital transformation in the retail segment still has gaps with efficiency. What's your view on this?

Digital transformation from the top leads to serious negative consequences, especially in the banking and retail segment. Some banks even immediately suffer to gain customer experiences in the short term, which reveal gaps in their systems, so they will not be able to retain customer loyalty and create new customers in the long term.

“Rewards are only for the last person standing” is an accurate explanation of the race to digitalise retail operations of banks. Some banks have succeeded by choosing the harder path with a synchronous and comprehensive strategy, changing both quality and quantity in their digital transformation plan.

A culture of governance and making the most of talents, both internally and in society as a whole, are long-term steps to successfully implement digital transformation.

It is more vital to craft ecosystems or super apps, or design the most



Mr. Nguyen Chien Thang

diverse products? In the context of rapidly evolving technology, imitating ideas has become more common and easier than ever, especially in the digital space.

Digitalization in retail is no exception. The competition to win loyalty and attract customers in cyberspace in the retail banking sector is becoming increasingly fierce. A single mistake in the use of technology or the digital customer interface can force a retail bank back. The past year has witnessed the decline of at least one leading retail bank in Vietnam because of its failure to provide a new experience for customers through its digital channels.

The digital ecosystem and super apps are essentially trying to keep customers in their ecosystem, so banks are trying to find all technology solutions to quickly achieve this. However, this is a double-edged sword. If that ecosystem or super app is not designed correctly, it will become counterproductive for banks to achieve their goals.

To successfully implement digital transformation, banks may not have many options when human resources are limited domestically. Is working with foreign businesses an effective option for both sides?

Human resources in digital transformation are a hot topic not only on the agenda of banks but perhaps in all sectors of the Vietnamese economy, even globally. Harnessing the power of society is the secret to any success, especially in the current context of domestic digital transformation resources being exhausted, due to global digital transformation campaigns nationally and in all areas of society.

The resources of IT in Vietnam are also being fully exploited by other countries. The explosion of technology companies with thousands of programmers in Vietnam was only to supply IT personnel to countries and regions such as Japan, South Korea, Europe, and the U.S.

Tech developments have made the world flatter. Today's developed countries do not necessarily have an outstanding advantage to develop and apply modern technology. In the field

of banking and finance, even financial institutions that are considered giants have not kept up with the rapid development of technology.


Taking advantage of and expanding resources from abroad to meet the digital needs for Vietnamese banks is necessary. However, we need to seriously look at whether Vietnamese banks have really created a market for Vietnamese technology companies to be willing to invest and cooperate for development.

Digital transformation is said to be expensive. How can we find a balance between goals and costs while still bringing revenue efficiency?

Digital transformation is a process, not a destination. If banks operate

their strategy as a project with a beginning and an end, it will certainly be difficult to succeed. They may even fail miserably.

Digital transformation and retail banking services are two categories in a dialectical relationship with each other, which cannot be separated. The harmony and synchronization between these two factors will help banks develop significantly.

There is still a lot of room left. There are still many abandoned lands that have not been intensively cultivated, but only banks with wise strategies, strength and vision for a long-term roadmap can reap the best results. 



TIEN MINH

New decree eases pressure on bond issuers

Many significant changes in the responsibilities of bond issuers are included in a new Government decree amending and supplementing the rules for offering and trading private corporate bonds.

- ✦ **New decree, which came into effect on 5 March 2023, allows enterprises to extend the term of bonds by up to two years.**
- ✦ **Bond issuers can negotiate with the bondholders to settle the debts by swapping the bond debt with other assets.**
- ✦ **The decree also temporarily suspends regulations on categorizing the status of professional stock investors as individuals.**

objects to the change. If the expected outcome of the negotiation is still not achieved, the businesses must fulfill their obligations to the bondholders in accordance with the announced plan for bond issuance.

For a domestically offered bond, if issuers are unable to fully and timely pay the principal and interest according to the announced plan, they can negotiate with the bondholder to settle the debts by swapping the bond debt with other

The government issued Decree No. 08/2023/ND-CP amending, supplementing and suspending the effect of a number of articles in the Decree regulating the offering and trading of private corporate bonds in the domestic market and offering of corporate bonds to the international market (Decree No. 153/2020/ND-CP issued on 31 December 2020, effective 1 January 2021).

Decree 08, which came into effect on 5 March 2023, allows enterprises to extend the term of bonds by up to two years. Enterprises have a duty to negotiate to protect the interest of the investors if a bondholder



assets. With this approach, businesses must adhere to the requirement that they obtain the bondholder's consent, disclose unusual information, and be accountable for the legal status of the assets used as payment.

According to the Vietnam Real Estate Brokers Association, it is reasonable to allow bondholders to pay the bond's principal interest due with other assets such as real estate given the current difficult market context. However, accurate valuation of real

estate to pay debt to bondholders is a problem that needs to be resolved.

Some analysts said it is not entirely in the hands of enterprises to use their assets to pay bond debt, but they also have to negotiate with the bondholders. For a successful negotiation, bond issuers need to prove to the bondholder that owning the property is attractive.

Swapping the debt with real estate will create opportunities for creditors to actively choose, own a house at an agreed price. Upon approval of this price, bond issuers will no longer have a debt obligation, but the bondholders will continue to face the risk of asset devaluation or legal problems related to the asset. In particular, the risks of co-owning the real estate with other investors or having to spend extra money to own it due to their small investment amount.

The newly issued decree also temporarily suspends regulations on categorizing the status of professional stock investors as individuals. To buy private placement corporate bonds under the old regulations, individual investors needed to hold a securities portfolio of at least VND2 billion (USD84,370), excluding margin loan value, for 180 days.

Also, the previous regulation provided that stated bond distribution time may not exceed 30 days following the offering announcement. The new regulations give businesses additional time to attract investors, improving

the likelihood that the offering would succeed.

Prior to Decree 08, Decree 65 which was issued in mid-September 2022 served as a basis for governing bond private placement and trading. Decree 65 is an amended and supplemented version of Decree 153 that was released at the end of 2020 with the expectation of tightening the market following a period of rapid growth in bond issuance and many volatilities being detected.

Decree 65 has more restrictions on investor status, issuance purpose, and principles for using bond capital. For example, an enterprise may only issue bonds to carry out investment projects and restructure its own debts and must clearly state this purpose to investors upon issuance. The corporate bond market boomed in 2020 and 2021, with an issuance volume of nearly VN0462 trillion and VND658 trillion (USD28 billion), respectively, according to data from the Vietnam Bond Market Association (VBMA). The boom came from both sides. The supply side stemmed from a sharp increase in capital demand from property developers and banks, while on the other side, the demand to buy bonds to enjoy interest rates higher than savings interest rates was soaring. [B](#)



LE HANG

Central bank cuts rate to support economic growth

The State Bank of Vietnam (SBV) made policy interest rate cuts to stabilize the monetary market and support economic growth.

- ✦ The refinancing rate is maintained at 6 percent p.a.; the rediscounting rate is reduced to 3.5 percent per year from 4.5 percent per year.
- ✦ Overnight electronic interbank rate and interest rate for loans to offset capital shortages in clearance between the central bank and commercial banks have been also decreased from 7 percent per year to 6 percent per year.



Having followed closely the Resolutions of the National Assembly and the directions of the Government, the SBV has managed the monetary policy and the banking operations in a proactive, flexible and effective manner, in close coordination with the fiscal policy and other macro policies in order to contribute to controlling the inflation, maintaining the macro-economic stability, and stabilizing the money market.

Over the past months, the global economic outlook has undergone uncertainties with the inflation in many countries remaining at high levels. The domestic economic growth has faced with specific difficulties; some macro-economic indicators are lower than those of the same previous period. However, in the context that the domestic inflation has been controlled, the credit institutions

and the foreign bank branches have managed to cut down on their costs and reduce the deposit interest rates, in order to further implement the policy of the National Assembly and the Government on easing difficulties for the economy, reducing lending interest rates for the businesses and the people, the SBV has decided to adjust the key interest rates with effect on 15 March 2023, particularly:

Under Decision No. 313/QD-NHNN dated 14 March 2023 on the refinancing interest rate, rediscounting interest rate, overnight rate for the inter-bank electronic payments, and interest rate for loans to offset capital shortages in clearance between the SBV and credit institutions, the refinancing rate is maintained at 6 percent p.a.; the rediscounting rate is reduced to 3.5 percent p.a. from 4.5 percent; overnight rate for the inter-bank

electronic payments and interest rate for loans to offset capital shortages in clearing transactions between the SBV and the credit institutions is lowered 6.0 percent p.a. from 7.0 percent per year.

Under Decision No. 314/QD-NHNN dated 14 March 2023 on the interest rate cap applied to VND-denominated short-term loans provided by credit institutions and foreign bank branches to borrowers to meet the capital demand in a number of priority sectors and areas in line with Circular No. 39/2016/TT-NHNN dated 30 December 2016, the interest rate cap is reduced to 5.0 percent p.a. from 5.5 percent.; interest rate cap applied to the VND-denominated short-term loans in the priority sectors and areas provided by the people's credit funds and micro finance institutions is lowered to 6.0 percent p.a from 6.5 percent per year. 

TIEN MINH

Economic highlights in the first quarter

Vietnam's gross domestic product (GDP) in the first quarter of 2023 was estimated to increase by 3.32 percent year-on-year.

The GDP growth in the first quarter of 2023 was estimated to grow by 3.32 percent over the same period last year, only higher than the growth rate of 3.21 percent in the first quarter of 2020 in the period 2011-2023. In which, the agriculture, forestry and fishery sector increased by 2.52 percent, contributing 8.85 percent to the overall growth; the industrial and construction sector decreased by 0.4 percent; the service sector increased by 6.79 percent, contributing 95.91 percent.

In March, 14,200 enterprises were newly established, up 60.9 percent over the previous month but down 0.6 percent year on year. Generally, 57,000 enterprises registered for new establishment and returned to operation in the first quarter, down 5.4 percent over the same period last year. The number of enterprises withdrawing from the market was 60,200, an increase of 17.4 percent over the same period last year.


Total foreign investment capital registered as of 20 March 2023 including newly registered capital, adjusted capital and contributed capital and share purchase by foreign investors reached USD5.45 billion, down 38.8 percent over the same period last year. Realized foreign direct investment capital in Vietnam in the first three months was estimated at USD4.32 billion, down 2.2 percent year-on-year.



It was estimated that trade surplus in March was USD0.65 billion. In the first quarter of 2023, the trade surplus was estimated at USD4.07 billion compared to USD1.9 billion of the same period last year. Regarding banking, insurance and stock market: As of 20 March 2023, total means of payment increased by 0.57 percent compared to the end of 2022; capital mobilized by credit institutions increased by 0.77 percent; and credit growth of the economy reached 1.61 percent.

Total premium revenues in the first quarter of 2023 were estimated at nearly VND59,500 billion (USD2.53 billion), up 6.8 percent over the same period in 2022. In the first quarter, the average trading value in the stock


market reached VND11,437 billion (USD487 million) per session, down 43.3 percent compared to the average of 2022. The average trading value in the bond market was VND4,740 billion (USD202 million) per session.


According to the World Bank's Taking Stock report (March 2023), Vietnam's GDP growth is expected to slow to 6.3 percent in 2023. The economy is expected to benefit from the partial implementation of the capital investment of the 2022-2023 Economic Support Program. An agile monetary policy in close coordination with fiscal policy objectives would help keep domestic inflation under control. 


TRANG VU


Attractive loan packages for individual customers

In order to meet the demand for personal and business loans, from now until 31 December 2023, BIDV has launched loan packages with preferential interest rates and flexible terms for individual customers.

 **Medium and long-term credit package with a scale of VND100 trillion (USD4.2 billion) with introductory interest rates of only 9.5 percent/year.**

 **New business loan package with a scale of up to VND70 trillion (USD3 billion), with an interest rate from 7 percent/year only.**

 **Green loan package of VND20 trillion (USD850 million), with interest rate from only 7 percent/year.**

 **Loan package of VND50 trillion (USD2.1 billion) with interest rates varying from only 7.5 percent/year only.**

MEDIUM AND LONG-TERM LOAN PACKAGE OF VND100 TRILLION

BIDV has launched a medium and long-term credit package with a scale of VND100 trillion (USD4.2 billion) with introductory interest rates of only 9.5 percent/year for individual customers for consumption, car buying or production and business.

Accordingly, customers whose salary is paid via an account opened at BIDV or customers who have successfully applied for a loan and been disbursed through the BIDV Home application

will receive a preferential loan interest rate of from 9.5 percent/year only for the first 12 months of the first disbursement or from 10 percent/year only for the first 18 months from the time of the first disbursement.

In addition, individual customers who borrow loans at BIDV to buy houses at Vinhomes' projects will be entitled to a preferential interest rate from 9 percent per year only. Individual customers who borrow medium and long-term loans for production and business, housing, car or consumption purposes secured by





real estate that satisfies the relevant conditions of BIDV will all be entitled to the preferential interest rates of the program.

SHORT-TERM LOAN PACKAGE OF VND70 TRILLION

BIDV has launched a new business loan package with a scale of up to VND70 trillion (USD3 billion), with an interest rate from 7 percent/year only including:

GREEN LOANS OF VND20 TRILLION (USD850 MILLION)


To motivate green business and sustainable development, BIDV has launched the loan package with preferential interest rate for individual customers to carry out production and business plans in the fields of agriculture and rural development under the following BIDV's conditions: having a domestic or international certificate of good standard of cultivation, husbandry and aquaculture practice (VIETGAP,

GLOBALGAP, BAP); having a domestic or international certificate of safe food supply chain standards (VIETGAP, GLOBALGAP, ISO 22000, HACCP, GMP, SQF)...

For green production and business, BIDV offers a preferential interest rate from only 7 percent/year for

loans with a term of less than 6 months; or from 8 percent/year for loans from 06 months to 12 months. The program is effective until 31 December 2023 or until the credit package is fully disbursed.

LOAN PACKAGE OF VND50 TRILLION FOR ALL CUSTOMERS

BIDV is deploying a preferential loan package with a scale of VND50 trillion (USD2.1 billion) for individual customers in all business and production areas. The package is effective until 31 May 2023 or until fully disbursed. Interest rates vary from only 7.5 percent/year for loans with a term of less than 6 months and from 8.5 percent/year for loans of 6 months up to 12 months. In addition to the above-mentioned loan packages, customers can apply for a mortgage loan up to VND3 billion online which is secured by their very savings accounts on BIDV SmartBanking app. 



KIEU OANH

Art investment and conservation

Private Club, an event for BIDV's private banking customers, helps conserve and promote artistic value for future generations.

- ✦ With pioneering efforts, BIDV has gradually set a new standard for private banking services in Vietnam.
- ✦ Art collections become a legacy for future generations, helping conserve both cultural and commercial values, and contribute to preserve cultural achievements of mankind.



Not only displaying paintings of famous artists, Private Club - an event for BIDV's private banking customers also shared the secret for art collection and investment following the style of global elites. The event also aimed to conserve and promote artistic value for future generations.

Spending a large fortune in exchange for a masterpiece appeared as a trend long time ago globally and has become popular in Vietnam. The art market is vibrant, colorful and still seems to be a playground for art lovers and super-rich people. To help private banking customers realize their dream of becoming professional

collectors, on 23 February 2023 BIDV Private Banking Center held an event "Creating an Artistic Legacy".

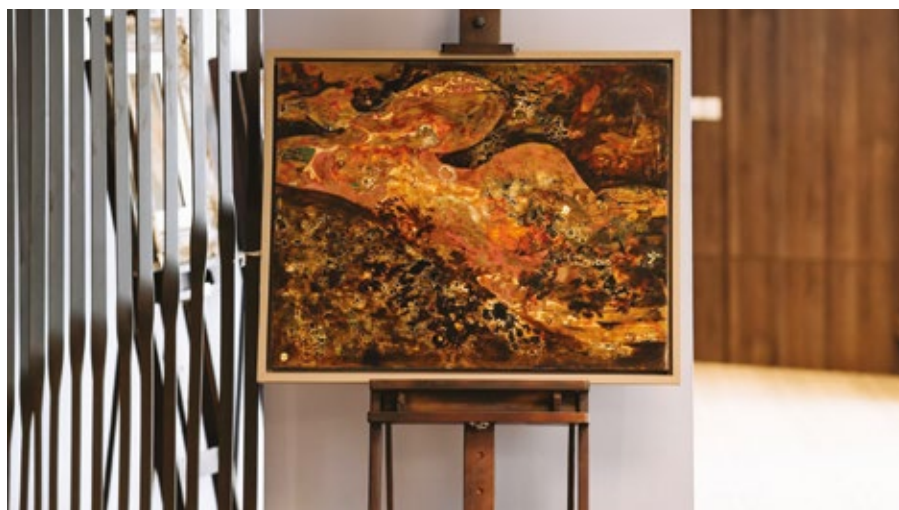
This is the first event among the Private Club's series organized by BIDV exclusively for "super-rich" customers in Vietnam. The honored guests enjoyed the afternoon full of unique art experience with artworks selected from million-dollar collections of paintings and sculptures by famous Vietnamese painters such as Bui Xuan Phai, Vu Cao Dam, Ta Ty, etc.

Here, the guests were really immersed in the world of art. Especially, guests



were led through the experiences and in-depth knowledge of paintings by 3 speakers, including Phan Cam Thuong - a cultural researcher and a painter, Van Vi - an art curator and Tran Ngoc Lam - an art collector.

The speakers also shared how an art lover builds a real art collection. Through the stories shared by speakers and experts, the journey



from loving, enjoying to becoming an art collector seems easier and more professional.

Not only are their personal assets, with their embedded cultural values, the collections also become a legacy for future generations - that's how the global elites build their collections which conserve both cultural and commercial values, and contribute to preserve cultural achievements of mankind.

In addition to providing a diverse product portfolio to meet financial transactions and specialized investments needs of ultra-high-net-worth individual customers, the unlimited non-financial services such as privilege events like Private Club have also opened a lifestyle-enhancing experience journey exclusively for BIDV Private Banking customers. With pioneering efforts, BIDV has gradually set a new standard for private banking services in Vietnam. [R](#)

THAO NGUYEN

Discover Moc Chau plateau



Moc Chau is one of the must-visit destinations in Vietnam thanks to its beautiful landscapes.

Moc Chau is located in Moc Chau District, Son La Province, about 180 kilometers from Ha Noi. The best way to reach Moc Chau is by car. It takes 4 hours for the ride to get to one of the most attractive spots in Northern Vietnam. Adventurous travellers can hire a motorbike to enjoy the scenery along the road.

Coaches and vans are also available daily to carry passengers to Moc Chau.

Moc Chau has 4 beautiful seasons in a year with mild and easing weather. In January, the plateau is painted in the green colour of tea hills, peach blossoms, plum blossoms, apricot blossoms, cherry blossoms. From mid-May, it is the plum harvesting time. Plums here are one of the specialties of the region and a must-try fruit for visitors. August to December are the ripe persimmon season. A note for visitors travelling during this time, crispy persimmon is usually available

earlier, from August to October, and from October to the end of the year is the season of acrid persimmons, so choose the right time to enjoy this juicy gift of nature.

MOC CHAU HEART-SHAPED TEA HILL

Tea is the main crop and famous product of Moc Chau, therefore, most part of the town is covered with tea hills. As a gift from Mother nature, Moc Chau owns 2 unique heart-shaped tea hills which recently attracted much attention from travel lovers. One is




located in Dai Loan area, about 10 km from Moc Chau Town, the other is in Tan Lap 3 Hamlet (about 11 km from Moc Chau Town). The best time to admire this lovely artwork is from February to December.

PHA LUONG PEAK

30 km from Moc Chau Town, Pha Luong Peak is considered as the roof of Moc Chau, located between the Vietnam and Laos border. From Pha Luong border post at the foot to the top of the mountain, it takes 3-4 hours on foot. Pha Luong is more than 2,000 meters high above sea level. It is quite difficult to conquer Pha Luong, for those who want to really explore.

DAI YEM WATERFALL

The waterfall is located on the Vat stream, which is a combination of two streams in Vat village, an ancient Thai village. Dai Yem Waterfall is massive with a height of more than 100 meters, divided into 2 parts. The upper part has 9 floors and the lower part with 5 floors, separating the middle is a flat land, suitable for visitors to have fun and enjoy the scenery. 



PINE FOREST OF BAN ANG VILLAGE

Visitors should start with the Pine forest of Ban Ang Village. Located on the side of Moc Chau Town, Ang Village has still received the focus of tourists because of its peaceful and hospitable beauty. Since the village is the home to the ethnic group, which is mostly Thai people, it is famous for the traditional houses, traditional festivals, and handcrafted products. Ban Ang Village with its cool climate and also fresh air becomes the perfect spots to camp. Nearby is a lake which looks like a mirror reflecting the blue sky.

BACH LONG GLASS BRIDGE

Bach Long bridge is the latest glass-bottom bridge in Vietnam. The bridge belongs to the Moc Chau Island tourist area in Muong Sang Commune, Moc Chau District, Son La Province. With a total length of 632m, it is the longest one in the world. Bach Long Glass Bridge was built across two mountains with a length of 290m and the craggy part on the cliff is 342m long. The width of the main bridge deck is 2.4m and the width of the glass road on the cliff is 1.5m. The bridge connects to Chim Than Cave (or God Bird Cave) which owns natural stalactites associated with the legend of the god bird according to local residents for hundreds of years.



Planting trees for a green life

On 25 March 2023, BIDV in collaboration with the People's Committee of Phong Tho district, Lai Chau province launched a tree planting campaign in gratitude to Uncle Ho and planted 2,500 new lat hoa (chukrasia tabularis) trees in the locality.

- ✿ "Planting 1 million trees" is one of three key social security programs titled "For a Green Life" announced by BIDV for a five-year period.
- ✿ Every year, BIDV donates more than VND400 billion (USD17 million) for community programs throughout Vietnam.



Representatives of BIDV and local authority at the ceremony on donation of 2500 lat hoa trees in Lai Chau province

This is an activity in the "planting one million trees" program launched by BIDV in response to the Prime Minister's scheme on "growing one billion trees in the 2021-2025 period". It is also the delivery of BIDV's commitment to planting trees from the contributions of athletes in the "BIDVRUN - For a Green Life" running race. To date, BIDV has planted 300,000 new trees since 2021.

"Planting 1 million trees" program is one of three key social security programs "For a Green Life" announced by BIDV on its 65th anniversary. Accordingly, the first program is building flood-resilient community houses: BIDV is committed to building 13 houses in 6 central provinces often affected by natural disasters including Nghe An, Ha Tinh, Quang Binh, Quang Tri, Thua Thien Hue, and Quang Nam. The second program is supporting response to

drought and salinity: BIDV provides water purifiers and water tanks for people suffering from drought and salt intrusion in the Mekong Delta. The third program is planting 1 million trees nationwide.

Mr. Tran Phuong, Senior Executive Vice President of BIDV, said: "Towards the 66th anniversary of BIDV, BIDV organized the tree planting in Phong Tho district, Lai Chau province with the desire to contribute positively to forest planting and protection and mitigation of negative impacts of natural disasters. In 2023, BIDV plans to plant more 250,000 trees in localities across the country.

Mr. Tran Bao Trung, Chairman of Phong Tho District People's

Committee, said: "The launch of the tree planting at the New Year in gratitude to Uncle Ho has become a good tradition of our people. The large number of chukrasia tabularis trees donated by BIDV will help enrich the forests in Phong Tho district, Lai Chau province. As beneficiaries, we are responsible for taking care of and ensuring the trees live and grow well."

BIDV always identifies social security as one of the key goal and core value in its development strategy. The bank's social security activities have become a good tradition that has been fostered over generations. Every year, BIDV donates more than VND400 billion (USD17million) for community programs throughout Vietnam. [R](#)

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