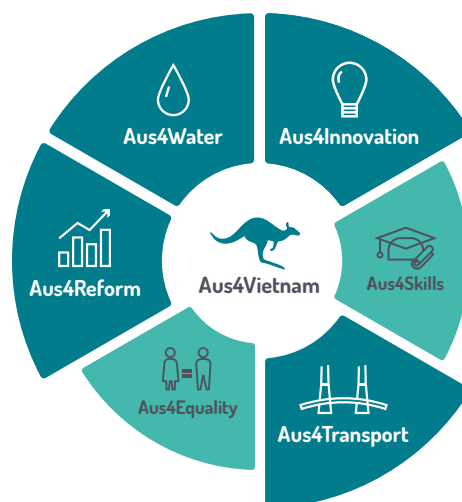




AID INVESTMENT PLAN VIETNAM



Objective 1: Enabling and engaging the private sector for development

Background

The recent slowdown in Vietnam's growth reflects structural constraints in the economy, including weak institutions, a fragile financial sector, inefficient state-owned enterprises and poor infrastructure. All of these issues constrain private sector growth by limiting access to finance, stifling competition and creating high input costs.

Objective 1 of the Australian Aid Investment Plan for Vietnam aims to reduce barriers to private sector development as well as engage the private sector in critical areas of service delivery. Through our strong relationship with the Ministry of Transport, we will assist Vietnam to prepare high-quality projects that address transport infrastructure gaps in Vietnam, and reduce physical barriers by investing in new transport infrastructure, such as the Cao Lanh bridge.

Working with partners such as the Central Institute for Economic Management, the Vietnam Competition Authority and the World Bank, we will continue to support regulatory reform to further stimulate business development in Vietnam. New private sector led service delivery models, focused on water and sanitation as well as climate change adaptation and mitigation, will be piloted. Achieving reform in these areas is critical to ensuring Vietnam becomes an industrialised and competitive country.

Expected Results

- Increase in infrastructure projects which include detailed consideration of social, environmental and engineering issues.
- Businesses develop and deploy innovative climate smart technology.
- More Rural Water Supply Systems are managed and/or operated by private sector agents.
- Increase in households with access to clean water.
- Improved competition policy and enforcement.
- Regulatory reform further stimulates business development.

Fast Facts

Australian Aid, an economic partnership. Delivering aid innovatively to build prosperity and tackle poverty.

Funding

AUD 141 million*

Duration

2015 – 2020

Programs

- Aus4Water
- Aus4Transport
- Aus4Reform
- Cao Lanh Bridge
- Vietnam Climate Innovation Center
- Mekong Business Initiative
- Australia-World Bank Strategic Partnership in Vietnam

* Total estimated commitments to FY2021-22

