

Vietnam welcomes FDI in production of medical equipment: trade officer

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Counselor Nguyen Manh Hung from the Vietnamese Embassy in Germany (Photo: VNA)

Berlin (VNA) – Vietnam has rolled out the red carpet for [foreign investors](#), including those from [ASEAN](#) member states, to land investment in the field of [advanced medical equipment](#), said Counselor Nguyen Manh Hung at the Vietnamese Embassy in Germany.

At a virtual conference held by Ernst & Young (EY) Global Limited on April 20, Hung said that ASEAN has produced a wide range of medical equipment, and 5-7 percent of the global equipment exports are sourced from ASEAN countries.

Vietnam has huge demand for medical equipment due to its rapid aging population, he stressed, believing that a network between ASEAN member states should be established to enhance information exchange as well as cooperation in the field so as to ensure timely supply of medical equipment and pharmaceutical products.

At the event, which also aimed to promote trade and investment in consumer goods within the

bloc, Hung highlighted the important role of Vietnam's garment and footwear in both domestic and export markets.

Despite adverse impacts of COVID-19, Vietnam's exports of consumer products topped 100.3 billion USD in 2020, a year-on-year rise of 2.4 percent. Particularly, shipments of garment and footwear products accounted for 20 percent of the nation's total export revenue in 2019.

Currently, Vietnam is the fourth largest garment and textile exporter, and the second biggest source market of footwear. However, 80 percent of the leather shoes come from the FDI sector, Hung said.

As the COVID-19 pandemic has affected the supply of materials for the two production sectors, while global demand has declined sharply, Vietnam is working to diversify its material supplies to reduce risks.

In a bid to enjoy tax preferences from free trade deals such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Europe-Vietnam Free Trade Agreement (EVFTA), brands and suppliers in Vietnam are using domestic materials.

According to Hai, with robust economic growth, ASEAN is both a large supplier of consumer products and a big market.

With increasing income, ASEAN consumers have preferred high-quality products, including garments and leather shoes; therefore, Vietnam is striving to branch out the two sectors through developing transport and logistics infrastructure, he added./.