

Essay Week 5

JULY 18

According to the lectures, Vietnam still has a problem indicating the central area. There are also many concerns for investors, for example, taste and lifestyle of people in each region. North Vietnamese tend to eat at home and cook by themselves with fresh ingredient. This affects the franchise restaurant like MK which use the frozen ingredient in the menu. Another example is C.P. Vietnam. It can sell more pork than chicken which is different from Thailand that consumes more chicken. Vietnamese also feed their chicken for eating from the poverty problem which creates a country taste that chicken should be sticky. This encourages many Thailand investors to tend to invest in Ho Chi Minh city as it is a place that has quite similar taste and culture to Thailand. However, Ha Noi can also be one of the interesting new markets for an investor as it is new and have high purchasing power compare to other provinces with the condition that we can change the culture.

There are 6 main reasons why we can invest in Vietnam. First is Vietnam is one of the new open development countries. Second is it is the new market. The third is the new generation of people which can affect the purchasing power and the ability to purchase of the consumer. Next is the big population of Vietnam which mean the large market to invest. Another important issue is the wage and tax. The wage and tax in Vietnam still low, so the investor can produce with lower cost comparing to other countries. The last reason is the infrastructure cost is still cheap. However, there are still many problems, for example, the unclear law, the use of law by government, the standard living of people, and hiding tax and fees, etc.

Base on the speaker's opinion, the location of Vietnam is the most important internal advantage to the growth of Vietnam. Vietnam is located near China which plays a huge role in

the trade war with the USA. So, Vietnam yet is become a strategic partner due to this trade war. Moreover, the government support through industries zone and tax regulation also make Vietnam more attractive to the investor.

JULY 19

On this day, I have a chance to go to ASEAN Connectivity. Many countries that were invited are all agreed with important of digital payment. According to the talk, the key that drives the change of payment can separate into 4 main points. First is Ultra Low-Cost Payment which referred to the low-cost service to support all transactions both in and outside countries. Second is the Regional and Domestic Network. The network should be able to work real-time and with many countries. The third is Global Interoperability which means that the multiple networks have to co-exist and transactions. The last is Security and Cyber-Resilience. The payment should be low risk.

The main problem is the payment still not connect. So, there is an innovation called Interledger which is a protocol to connect leaders. However, there is still one big concern which is ASEAN still uses a lot of cash. Moreover, each bank and firm create its account or wallet to collect as much money as it can to use in investment and bank interest.

Libra is one of the interesting digital currency as it launched by Facebook who has the most popular connection platform. Libra was believed that it would be one of the important bank's competitors which can create unstable economic of the world. Moreover, Cambodia representative said that she will not accept the Libya currency yet as she wants the guarantee and see the effect of the other countries usage first.

In the afternoon, we went to ADB at Central World. ADB or the Asian Development Bank is an organization under the Ministry of Finance which create to promote social and

economic development in Asia. It tries to reduce poverty through loan permission of infrastructure in developing countries and also concern on environment and sustainability issues, for example, lending a loan on technology improvement for a small start-up firm to stimulate the whole country economy.

According to ADB's functional organization chart, we can see that there is a multinational of directors employees. I believe that this is one of the important factors that ensure bank quality. Concerning deeper in the ADB's core business, it focuses on three main sectors, finance, knowledge, and partnerships. As ADB ranks in AAA level which demonstrates the ability to pay back and quality of the borrower, ADB can easily borrow and use this as a fund to contribute loan and other earning. A borrower that ABD interested in and lend the money transports, such as high-speed rail, natural resources like gas and some urban and social infrastructure which will create good outcomes for the society.