

ADB, UOB TEAM UP TO SUPPORT SMES IN VIET NAM

The Asian Development Bank (ADB) and the Viet Nam International Commercial Joint Stock Bank (VIB) on March 21 announced a syndicated loan agreement worth US\$260 million to assist small and medium-sized enterprises (SMEs). The loan agreement is expected to enhance access to finance for SMEs, individual businesses and promote capital financing for quality housing for individual customers in Viet Nam.

The funding comprises a direct ADB loan of US\$100 million and a syndicated loan of US\$160 million arranged by ADB and the United Overseas Bank Limited (UOB) from nine Asian financial institutions.

According to the agreement, VIB also cooperates with ADB to implement the Technical Assistance (TA) program for female entrepreneurs with a budget of US\$500,000 from the Women Entrepreneurs Financial Initiative Fund (WE-FI). This is the first TA grant provided in Viet Nam that exclusively helps a bank to promote women's entrepreneurship. ADB Director General for Private Sector Operations Suzanne Gaboury emphasized the vital role of banks in addressing the issues of financial access for SMEs and individual household borrowers, to ensure an inclusive and sustainable development path for Viet Nam. She added this agreement is one item of the project to strengthen Viet Nam's banking sector and help financing access become easier to individual customers and SMEs. In 2019, SMEs contributed 40 percent of the nation's GDP and 50 percent of jobs./.

(Source: Baochinhphu)

SEAFOOD EXPORTS RISE BY 40% IN Q1

Vietnam's seafood exports grew by 40 percent year-on-year in Q1 to US\$2.4 billion despite direct impacts of the ongoing Russia-Ukraine crisis.

The growth was led by shark catfish, whose exports increased by 88 percent to \$646 million and accounted for 27 percent of overall exports, according to the Vietnam Association of Seafood Exporters and Producers (VASEP). Shrimp remained the top export item, accounting for 37.5 percent of the total at over \$900 million, up 37 percent. VASEP said the conflict is having an impact on the industry, with the skyrocketing gasoline prices forcing fishermen not to go out to sea or even sell their boats.

In March export growth slowed down to 25 percent from 44 percent in January and 62 percent in February. Tuna and octopus exports grew by 20 percent last month, but exports of other saltwater fishes slipped by 14 percent.

Exports to Russia fell by 86 percent to \$2.7 million, and exports to Ukraine came to a complete halt. Russia and Ukraine used to account for around 2 percent of Vietnam's seafood exports.

VASEP expects gasoline prices to continue to cast a shadow on the industry in the coming months, but growth to be driven by recovering demand in other markets like the U.S and the E.U.

It forecast 25 percent growth in exports in April.

(Source: vnexpress)