

ATLAS
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CASH MANAGEMENT
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BNP PARIBAS

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With a population of 101 million and a forecasted GDP of $490bn in 2025, Vietnam is a small-to-medium open economy with rapid export?led growth, significant foreign direct investment (FDI), and a rising income-per-capita trajectory. Its external position is solid; the current account surplus reached 6.6? percent of GDP in 2024, helping maintain a favorable NIIP, albeit exact net external asset ratios are not regularly published.

Public debt stood at approximately 58.8% of GDP in 2023, rising from prior levels. Total external debt is projected at 32.6?percent of GDP by end 2024, with public and publicly guaranteed debt at ?33.8? percent. Fiscal deficits remain manageable (~–4.5% of GDP in 2023), with primary deficits around –2.2%.

Fiscal credibility has been supported by prudent macro policies, though the IMF notes fiscal transparency and public finance risk management remain areas for improvement.

Vietnam’s economy rebounded strongly with growth of ?7.1?percent in 2024, supported by resilient external demand, FDI, and accommodative fiscal policies. Growth is forecast to moderate to about 5.4? percent in 2025, depending on trade tensions and global uncertainty, potentially slowing further in 2026 if downside pressures intensify.

Key vulnerabilities include corporates’ high debt burdens, real estate sector fragilities, fiscal risks tied to public enterprises, and exposure to global trade shocks. The medium?term challenge is sustaining strong growth and export competitiveness while gradually unwinding stimulus and improving fiscal governance.

Summary

BNP Paribas presence

BNP Paribas established representative offices in Hanoi and Ho Chi Minh City in 1989 and obtained a branch license for Ho Chi Minh in 1992. The bank is a member of the local Interbank Payment System and offers comprehensive cash management and international trade finance services in Vietnam. Clients have access to over 552 branches in Vietnam through a strategic local partnership.

BNP Paribas is a major player in trade finance throughout Asia, offering a full suite of traditional trade (letters of credit, bankers’ guarantee, trade financing, standby letters of credit, etc.) and supply chain financing solutions (receivables purchase programmes, supplier financing etc.) products, including a unique inventory solution offered through its trade centres in Australia, China, Japan and Singapore, specifically for companies engaged in international trade, as part of a wider network of more than 100 trade centres globally. BNP Paribas has experienced trade finance advisors and personnel who deliver a range of customised trade solutions and advise on local market practices. These solutions are supported by the bank's ISO-certified trade services support team.

Currency

Currency

- Vietnamese dong (VND).

Exchange rates

	2016	2017	2018	2019	2020
Exchange rate: VND per USD	21,935	22,370	22,602	23,050	23,208

Source: IMF, International Financial Statistics, June 2021.

Central Bank

- The Vietnamese central bank is the State Bank of Vietnam (SBV -www.sbv.gov.vn).

Bank supervision

- Vietnamese banks are licensed and supervised by the SBV.

Bank accounts

Resident / non-resident status

- A company is considered resident in Vietnam if it is incorporated in or has its place of effective management located in Vietnam.

Bank accounts for resident entities

	Within VIETNAM	Outside VIETNAM
Local Currency	Permitted, convertible with restrictions	Not permitted
Foreign Currency	Permitted, convertible with restrictions	Permitted, with restrictions and approval from the SBV. Convertible with restrictions

Bank accounts for non-resident entities

	Within VIETNAM	Outside VIETNAM
Local Currency	Permitted with restrictions, convertible with restrictions	Not permitted
Foreign Currency	Permitted with restrictions, convertible with restrictions	Not applicable

Lifting fees

- Percentage-based lifting fees may be applied on payments between resident and non-resident bank accounts.

BNP Paribas Cash Management Capabilities

Collections

Cash collections	✓
Cheque collections	
Direct debit collections	
Domestic incoming transfers	✓

Virtual IBAN	○
Virtual accounts	✓
International incoming transfers	✓
Card acquiring	✓

Payments

Cash withdrawals	✓
Cheque payments	○
Direct debit payments	○
Domestic outgoing transfers	✓
Commercial cards	○
Virtual cards	✓
International outgoing transfers	✓
SWIFT gpi	○
Real-time international payments through BNP Paribas' network	○
Card issuing	○

Channels

Local e-Banking	○
Global e-Banking - Connexis	✓

SWIFT/ host to host	✓

Payments & collections

Market overview

Cash remains the predominant payment method in Vietnam. However, the number of digital payments is increasing: the number of mobile payments reached nearly 700 million by end-August 2020, a 980% increase on the same period 2019. Covid has been a key driver of the shift in payment behaviour, but so too has the greater availability of contactless smart cards and the use of QR codes. The government has also been active in promoting digital payments. June 16 of each year has been named Non-Cash Day, for example, while regulation introduced in 2020, ensures that any person eligible to open a payment account is also eligible to apply for a debit card.

Electronic banking services are available from most banks. There is no national electronic banking standard in Vietnam, so companies use banks' proprietary services. Online and mobile banking services are available. According to the central bank. Approximately 15 million people use online and mobile banking services every month.

Payment Systems

IBPS	Type	• Real-time gross settlement via the high-value transfer system (HVSS). • Deferred net settlement via the low-value transfer system (LVSS).
	Participants	• 375 direct and non-direct.
	Transaction types processed	• High-value (VND 500 million and above) and urgent VND-denominated credit transfers via the HVSS. • Low-value (below VND 500 million) and non-urgent VND-denominated credit transfers via the LVSS.
	Operating hours	• 0800:17:00, Monday to Friday.

	Clearing cycle details (e.g. cut off times)	• Payments are cleared and settled in real time via the HVSS. • Net settlement of LVSS payments takes place on a same-day basis.
	System holidays	• The IEPS is closed on all Vietnamese bank holidays. • Vietnam's bank holidays are: • 2nd half 2021: September 2. • 2022 — January 3, 31, February 1–5, April 11, May 2, 3, September 2.
SBV electronic clearing system	Type	• Deferred net settlement.
	Participants	• 131 direct.
	Transaction types processed	• Low-value electronic payments.
	Operating hours	• N/A
	Clearing cycle details (e.g. cut off times)	• There are two to three clearing sessions daily depending on the location and the number of payment instructions. • Payment instructions are transferred to receiving banks once each clearing settlement session is complete.
	System holidays	• The SBV electronic clearing system is closed on Vietnam holidays. (Dates as above)

Credit transfers

- Credit transfers are used by the government and companies to pay salaries and suppliers.
- High-value (VND 500 million and above) and urgent credit transfers are settled in real time via the HVSS element of the IBPS.
- Low-value (below VND 500 million), non-urgent and high-volume payments can be settled on a same-day basis via the LVSS element of the IBPS.
- Low-value electronic credit transfers can also be settled by the SVB electronic clearing system and via the NAPAS 24/7 Quick Interbank Funds Transfer service (up to VND 300 million per transaction).
- Leading commercial banks BIDV, Agribank and Vietinbank, also operate an electronic bilateral interbank payment system for non-urgent, low value payment transactions.
- The Joint Stock Bank for Foreign Trade of Vietnam operates an interbank payment system for foreign currency transfers.

- In Q1 2021, there were 31,711,439 thousand transactions processed via the LVSS, with a value of VND 891,729 trillion. In Q4 2020, there were 34,784,211 thousand transactions processed via the LVSS, with a value of VND 993,395 trillion.
- Cross-border transfers can be made via SWIFT and settled through correspondent banks abroad

Direct debits

- Direct debits are used for regular payments, such as utility bills.
- Direct debits are settled on a bilateral basis between banks.
- In Q1 2021, the number and value of direct debits processed totalled 2,725,530 direct debits processed, with a value of VND 1,210,496. In Q4 2020, there were 2,637,471 direct debits processed with a value of
  VND 1,537,402 billion.

Cheques

- The cheque is not a commonly used cashless payment instrument.
- Intracity/intra-province cheque payments are cleared by provincial payment centres operated by the SBV. Funds are typically available within three days.
- Inter-province cheque payments are cleared and settled via the SBV's National Processing and Settlement Centre. Funds are typically available within seven working days.
- In Q1 2021, 14,410 cheques were processed, with a value of VND 19,548 billion. In Q4 2020, there were 16,228 cheques processed with a value of VND 13,719 billion.

Card payments

- Payment cards are increasingly popular, especially for retail transactions. Payment card transactions declined in Q1 2021, totalling 123,480,704 with a value of VND 267,850 billion. In Q4 2020, transactions totalled 144,330,517 with a value of VND 294,294 billion.
- There were 96 million domestic payment cards in circulation at the end of Q1 2021 (94 million at end Q4 2020).
- Most payment cards are issued by Agribank, Vietcombank and Vietinbank.
- The Vietnam Bank Card Association, in collaboration with the National Payment Corporation of Vietnam and seven commercial banks, launched the first ATM domestic chip cards in 2019.
- Vietnam National Financial Switching (NAPAS) is Vietnam's national payment card operator, and the main debit card in the country. All card-issuing institutions in Vietnam are members.
- All ATM cards issued are EMV-compliant.

ATM/POS

- There were 19,714 ATMs in Vietnam at the end of Q1 2021.
- There were 271,727 terminals in Vietnam at the end of Q1 2021.
- The majority of payments are settled via NAPAS.
- Payments can also be settled via Smartlink, Vietnam Bank Card and Visa, MasterCard and American Express card operators.

Electronic wallet

- The dominant electronic wallet schemes in Vietnam are pre-paid cards. VinaPay's MrTopUp service is one of the biggest pre?paid card distributors in Vietnam.
- The limit for transactions for an e-wallet is VND 100 million per month.
- E-money payments are settled via the individual schemes.
- There are over a number of digital wallets schemes available in Vietnam, including MoMo, the country's largest e-wallet by user (20 million), Moca and ZaloPay. There are 32 companies currently licensed to offer e-payment services.

Short term investments

Market overview

Interest payable on credit balances

- Interest-bearing current accounts are permitted in both VND and foreign currency.

Demand deposits

- Demand deposits denominated in VND or major foreign currencies are available for various terms.

Time deposits

- Time deposits are available in VND or major foreign currencies with terms ranging from one week to three years.

- Minimum investment is typically VND 10 million, VND 20 million or USD 1,000.

Certificates of deposit

- Domestic banks issue certificates of deposit in VND or major foreign currencies with terms ranging from one month to one year.
- Certificates of deposit can be issued paying fixed or variable interest.

Treasury (government) bills

- Treasury bills (T-bills) are issued by the State Treasury with maturities of less than one year (typically 13, 26 and 52 weeks).
- The minimum investment is VND 100,000.
- The Ministry of Finance limits the purchase and trading of T-bills to local or overseas Vietnamese organizations and foreign organizations in VietNam.
- The State Bank of Vietnam issues SBV bills.

Commercial paper

- Domestic commercial paper, in the form of promissory notes, is issued by domestic companies to residents in Vietnam.

Money market funds

- Domestic money market funds are available but not widely used.

Repurchase agreements

- Repurchase agreements with maturities of less than one year are available in Vietnam but not widely used.

Bankers' acceptances

- Bankers' acceptances are available in Vietnam.

BNP Paribas Trade Finance Capabilities

Trade payments

Documentary credits	✓
Documentary collections	✓

Guarantees

Bank guarantees	✓
Standby letters of credit	✓

Supply chain management

Receivables	✓
Payables	✓
Inventory	

Trade channels

Connexis Trade	✓
Connexis Supply Chain	✓
SWIFTNet Trade for Corporates	✓
Connexis Connect	✓
Connexis Guarantee	
SWIFTnet Supply Chain	

- BNP Paribas Global Trade Solutions (GTS) in Vietnam offers dedicated trade finance support with 2 trade managers. With its extensive product expertise, BNP Paribas GTS in Vietnam has been recognised across the industry.

International trade

General trade rules

- As a member of the Association of Southeast Asian Nations (ASEAN), Vietnam has entered into the ASEAN Trade in Goods Agreement (ATIGA) between member states (Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam). Vietnam is also a member of the ASEAN Free Trade Area (AFTA) and is committed to reducing and eliminating tariffs between members.
- As a member of the Asia-Pacific Economic Cooperation (APEC) forum, Vietnam has agreed to liberalise trade and investment rules between members.

Trade agreements

- Vietnam has signed a number of free trade agreements (FTA), including with Chile, the EU, South Korea, the UK and an economic partnership agreement with Japan.
- ASEAN has signed free trade agreements (FTAs) with Australia, China, Hong Kong, Japan, India, New Zealand and South Korea.
- Vietnam has launched FTA negotiations a number of member states, including with the EFTA, Israel, Pakistan and Ukraine.
- Vietnam is a signatory of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CP-TPP). The CP-TPP came into force in Vietnam January 2019.
- Vietnam is a signatory of the Regional Comprehensive Economic Partnership (RCEP).

Imports / exports

Imports	Integrated circuits	Refined petroleum	Textiles	Semiconductors	
Primary Import sources	China (35.0%)	South Korea (18.0%)	Japan (6.0%)		

Exports	Broadcasting equipment	Telephones	Integrated circuits	Footwear	Furniture
Export markets	USA (23.0%)	China (14.0%)	Japan (8.0%)	South Korea (7.0%)	

Import / export volumes

		2016	2017	2018	2019	2020
Exports	**- goods USD m**	176,632	215,119	243,697	264,189	NA
	- services USD m	12,250	13,070	14,790	16,637	NA
Imports	**- goods USD m**	162,619	204,273	227,157	242,695	NA
	- services USD m	17,650	17,100	18,470	18,988	NA
Current account as % GDP		+ 4.0	-0.7	+ 2.4	+ 5.0	NA

Sources: IMF, International Financial Statistics, June 2021.



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