

21. Country Report of Viet Nam¹

21.2 Current Status of Women Entrepreneurs of Viet Nam

Characteristics of Women-owned Small Businesses in Vietnam

Small and medium enterprises (SMEs) are vital to Vietnam's economic growth, accounting for more than 98% of all business, 40% of GDP, and 50% of total employment². The number of SMEs grew by around 100,000 in 2016³, encouraged in part by increased government efforts to facilitate new business.

Women own 95,906 firms, representing over 21% of the total number of formal or registered enterprises in Vietnam⁴. The majority of women-owned firms (57.40% or 55,049) are microenterprises, with revenues of less than USD 100,000 per annum; 41.71% or 44,003 are SMEs (annual revenues between USD 100,000 and USD 15 million⁵); and 0.89% or 854 are large enterprises, with annual revenues over USD 15 million. By comparison, men own a slightly higher percentage of micro businesses and a lower percentage of small enterprises than women (see Figure 50)⁵. This data is based on Vietnam's General Statistics Office annual enterprise surveys segmented using IFC's definition of SMEs.

Table 1. Number of Formally-Registered Firms by Size and Sex of Owner

(Unit: Number of Firm(s) and Percentage(s))

	Total	Women-Owned	Men-Owned
Total (# firms)	452,967	95,906	357,061
%	100.00	21.17	78.83
Micro (# firms)	265,592	55,049	210,543
%	100.00	20.73	79.27
Small (# firms)	163,090	36,139	126,951
%	100.00	22.16	77.84
Medium (# firms)	18,409	3,864	14,545

¹ This report was written by Nguyen Thi Bich Thuy, Director, Research Center for Female Labour and Gender, Institute of Labour Science and Social Affairs, Ministry of Labour, Invalids and Social Affairs, Viet Nam.

² Swiss Program for Research on Global Issues for Development, Employment and Quality of Employment in Vietnam: The Roles of Small Firms, Formalization and Education, R4D Working Paper 2015/8

³ General Statistics Office (GSO)

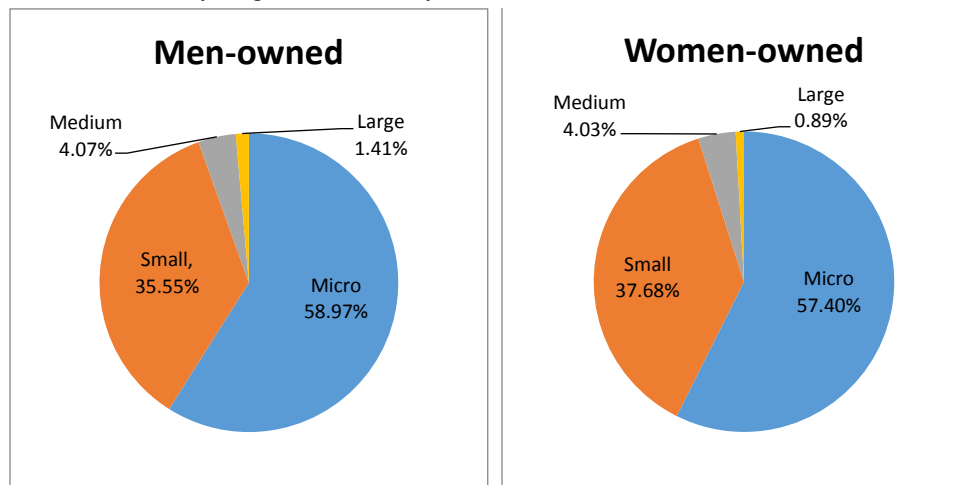
⁴ Based on data from 2014 GSO Enterprise Census

⁵ Based on data from 2014 GSO Enterprise Census

%	100.00	20.99	79.01
Large (# firms)	5,876	854	5,022
%	100.00	14.53	85.47
Small and Medium Enterprises (# firms)	181,499	40,003	141,496
%	100.00	22.04	77.96

Source: General Statistics Office, 2015, Enterprise Census

Figure 1. Structure of Formally-Registered Firms by Size and Sex of Owner



Source: General Statistics Office, 2015, Enterprise Census

Demographic

The average enterprise in this survey has been in operation for ten years, and it was the first business for 94% of women and for 87% of men. Both men and women tend to maintain ownership of their previous businesses, with a slightly higher percentage of men having closed or sold the previous business (13% for men, 7% for women). While there are no major differences in the level of education and number of years in business between men and women entrepreneurs, men owners tend to be older and more likely to be repeat entrepreneurs and therefore arguably more experienced⁶.

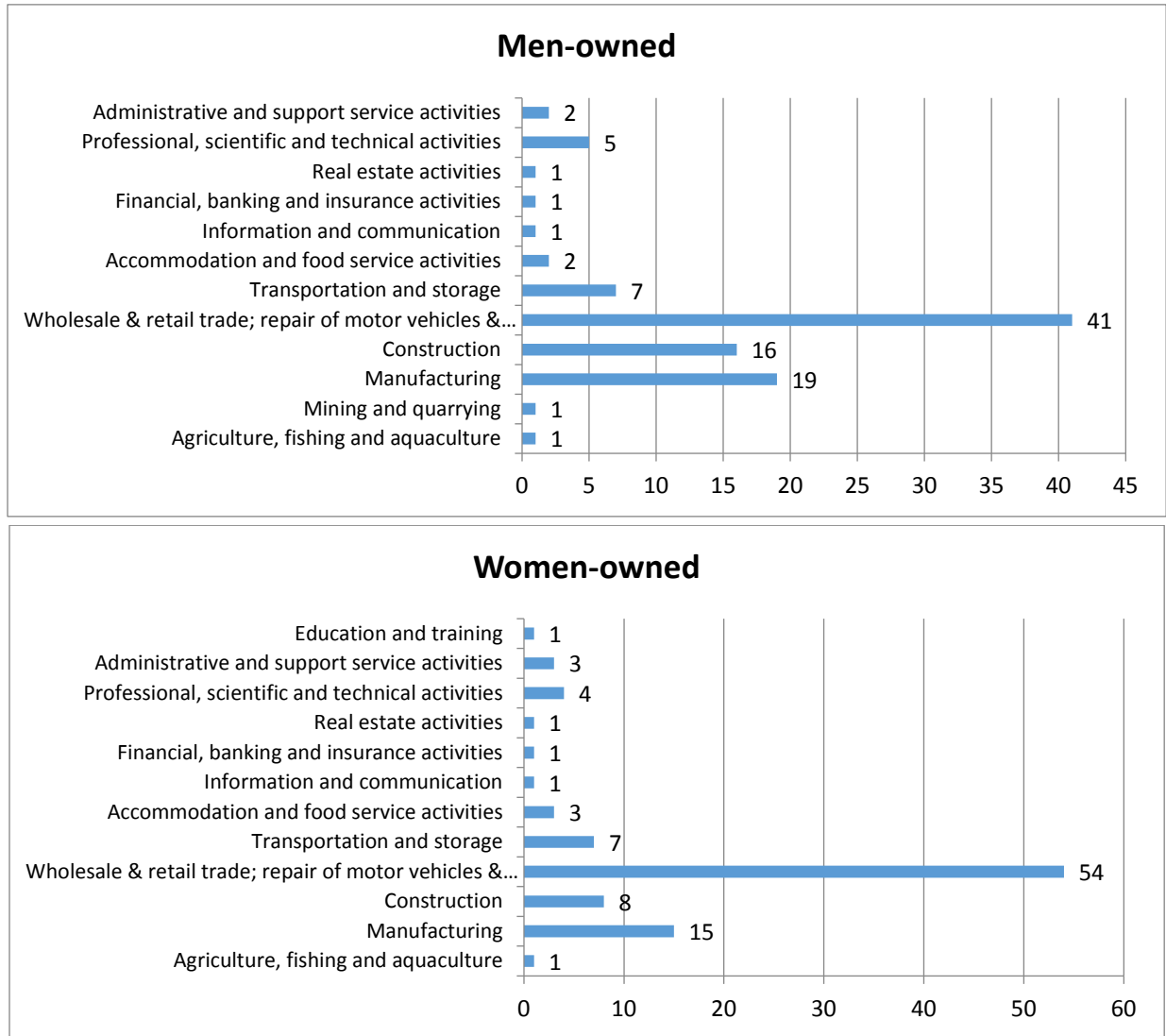
Sector Focus

More than 50% of Vietnam's women-owned SMEs operate in retail and wholesale trade (54%), followed by manufacturing (16%); construction (7%); and transportation and storage (7%). By comparison, just over 40% of men-owned SMEs operate in trade; 20% in manufacturing, and 16% in construction (see Figure 50). While the labor market is sex-segregated with restrictions

⁶ Based on data from 2014 GSO Enterprise Census

affecting women’s participation in “male sectors”, this data shows that women entrepreneurs have begun to take part in traditionally male sectors such as construction and transportation¹⁵⁵.

Figure 2. Numbers of Enterprises by Sector and Sex of Owner
Unit: Percentage(s)



Source: General Statistics Office, 2015, Enterprise Census.

Annual Revenue

The 2015 Enterprise Census found that women-owned small enterprises averaged annual revenues 0.9% higher than their male counterparts (average annual revenue of USD 548,000 for small women-owned enterprises against USD 543,000 for men); while among medium-sized enterprises, men owned achieved 1.2% higher average revenues (average annual revenue of USD 5.69 million for women- versus USD 5.76 million men-owned medium-sized enterprises).