



# The private economic sector in Vietnam's socialist-oriented market economy: Development trajectory, performance, and policy directions

Tran Dinh Nui<sup>1</sup>, Nguyen Ngoc Huy<sup>2</sup>

<sup>1</sup>*Institute of Vietnam and World Economy, 1 Lieu Giai Str., Ngoc Ha Ward, Hanoi, Vietnam*

<sup>2</sup>*Thai Nguyen University, Lao Cai Campus, Cam Duong Ward, Lao Cai, Vietnam*

## Abstract

*This article analyzes the formation, development and role of the private sector in the Vietnamese economy since the Doi Moi (Renovation) in 1986. Based on a synthesis of the Communist Party of Vietnam's documents, State policies, research and official statistical data, the authors assess changes in institutions, thinking and practice of private sector development through each historical period. The article also identifies the barriers and opportunities of this sector in the context of international integration, digital transformation and economic restructuring, thereby providing appropriate policy orientations and recommendations to maximize the role of the private economy as an important pillar of the Vietnamese economy in the forthcoming development phase.*

**Keywords:** Doi Moi, private firm, institution, international integration, productivity, performance.

**JEL classification:** P31, L26, O53, P48, D24.

## 1. Introduction

The development of the private economic sector is an inevitable trend in the modern market economy. In most nations, the private sector serves not only as a vital resource for job creation and economic growth but also as the primary driver of innovation and international integration. In Vietnam, since the initiation of the *Doi Moi* (Renovation) process in 1986, the prevailing policy orientation and institutional thinking regarding private economic development have undergone a profound transformation. From a restricted position under the centralized planning mechanism, this sector has gradually been recognized and affirmed as a crucial component of the multi-sector economy operating under the socialist-oriented market mechanism.

Researching the private economic sector is significant not only for acknowledging its practical contributions to growth and economic restructuring but also for identifying institutional, governance, and policy issues that require improvement to further enhance the sector's role in the new development phase. In the context of Vietnam's goal to become a high-income country by 2045, developing a dynamic, innovative, and highly competitive private economic sector is a strategic requirement.

## 2. Formation and development of Vietnam's private economic sector

### 2.1. Evolution of the Communist Party of Vietnam's theoretical framework on the private economy

The development of the private economic sector is inseparable from the process of renovating the Communist Party of Vietnam (CPV)'s theoretical thinking regarding the role of economic sectors within the socialist-oriented market economy. Having been only partially acknowledged, the private economy has gradually been recognized as a vital constituent and the most important driving force of the national economy.

*The 1986-2000 period:* The Sixth National CPV Congress (1986) initiated the *Doi Moi* process, asserting for the first time the objective existence of various forms of ownership and economic sectors within a multi-sector commodity economy. However, in the early years, the private economy was identified only as "small capitalism" and was to be gradually transformed into state capitalism, while private commerce was to be abolished (CPV, 1986). Resolution No. 16-NQ/TW in 1988 and the Law on Private Enterprises in 1990 institutionalized the freedom of business, marking a fundamental shift in theoretical perception regarding the role of the private economy. Theoretical thinking shifted from a focus on management and control to recognition, encouragement, and the creation of conditions for development.

*The 2001-2015 period:* Resolution 14-NQ/TW (2002) clearly defined the private economy as an "important constituent of the national economy", officially elevating its status within the CPV's economic theory. This milestone marked a phase where the legal

framework for the private sector was consolidated in alignment with the development of a socialist-oriented market economy. Furthermore, the Tenth National CPV Congress candidly acknowledged that the private sector still faced restrictive conditions, characterized by small-scale operations, weak competitiveness, and suboptimal management (CPV Central Committee, 2006a). Subsequent shifts, such as Decision 15-QĐ/TW allowing CPV members to engage in private business, a more liberal and pragmatic policy stance (CPV Central Committee, 2006b). This trajectory was reaffirmed in the 2011 Political Platform, which enshrined the principle of equality among economic sectors, providing a solid foundation for private sector growth during the international integration phase (CPV Central Economic Commission, 2017).

*The 2016-present period:* The CPV's theoretical framework reached a significant breakthrough with Resolution No. 10-NQ/TW (2017), which designated the private economy as an "important driving force" of the socialist-oriented market economy. This evolution culminated in Resolution 68-NQ/TW (2025), further elevating its status to the "primary engine" of national growth. Such a paradigm shift reflects a profound understanding that empowering the private sector is essential for mobilizing public resources and fostering the collective aspiration for a prosperous and thriving nation.

In summary, over nearly four decades, the CPV's theoretical framework regarding the private economy has undergone a systematic and comprehensive evolution - progressing from "initial recognition" to "active encouragement", and ultimately to "designating it as a primary engine" of national growth. This conceptual evolution serves as a vital ideological and political foundation, underpinning the policy formulation and institutional reforms necessary to further empower the private sector in the upcoming period.

## ***2.2. The development and consolidation of the private economic sector in Vietnam (1986-2015)***

*The 1986-2000 period:* The Sixth National CPV Congress in 1986 represented a fundamental shift in Vietnam's economic philosophy. This transition was operationalized through Resolution 10-NQ/TW and Resolution 16-NQ/TW (1988), which recognized farming households as autonomous economic units and affirmed the right to develop private enterprises in strategic sectors (CPV Politburo, 1988a, 1988b). Furthermore, the enactment of the Law on Companies and the Law on Private Enterprises in 1990 established the first formal legal framework for the private sector. This institutional formalization marked a significant leap forward, facilitating the emergence of a new entrepreneurial class while effectively mobilizing social resources and liberating productive forces. Consequently, by the 1991-2000 period, approximately 31,950 non-state enterprises were operational, representing over 82% of the nation's total business entities - a marked departure from the pre-Doi Moi era (Ha, 2002).

Entering the 21st century, Vietnam's private economic sector entered a phase of rapid growth in both quantity and quality. Resolution No. 12-NQ/TW (2002) of the Fifth Plenum of the Ninth CPV Central Committee clearly stated that "the private economy is an important constituent of the national economy", thereby officially elevating the sector's position in the economic development strategy. The birth of the Law on Enterprises in 1999, followed by revised versions in 2005 and 2014, contributed to simplifying administrative procedures, ensuring business freedom, and promoting an equitable competitive environment. Consequently, the total number of enterprises increased more than 15.8 times during the 2000-2015 period, in which the non-state sector (private economy) accounted for over 97% of the total number of enterprises and became the leading force in the economy (Table 1).

Furthermore, the non-state enterprise sector maintained a stable equity ratio of around 35%, indicating a high level of financial autonomy. Meanwhile, the state-owned sector had a significantly lower equity ratio (approximately 23%), reflecting a greater dependence on loans and the state budget.

**TABLE 1: Capital structure and equity ratio by enterprise category, 2000-2015**

Type of enterprise	Year 2000	Year 2005	Year 2010	Year 2015
1. State-owned enterprises (SOEs)				
- Number of enterprises	1,491	1,970	1,928	2,177
- Total capital (billion VND)	671,734	1,189,000	4,129,752	6,926,000
- Equity ratio (%)	35.5	23.6	23.9	23.7
2. Non-state enterprises (private sector)				
- Number of enterprises	27,061	90,755	307,752	478,037
- Total capital (billion VND)	101,968	579,000	4,466,500	11,042,000
- Equity ratio (%)	36.8	35.8	35	34.5
3. Foreign-invested enterprises (FDI)				
- Number of enterprises	2,295	4,355	5,736	8,030
- Total capital (billion VND)	217,345	647,664	2,245,000	4,176,000
- Equity ratio (%)	45.6	43.2	36.8	37.5
Total	30,847	97,080	315,416	488,244

*Source:* GSO (2016).

Despite the fact that average revenue per worker in the private sector nearly tripled over a 15-year period - reflecting capital accumulation and expanded business scales - profitability remained constrained. Specifically, profit-to-revenue and return-on-assets (ROA) ratios fluctuated at a modest 2-3%, significantly underperforming compared to the foreign direct investment (FDI) and state-owned enterprise (SOE) sectors (Table 2). Such performance gaps underscore the limited investment efficiency and labor productivity within the private sector, particularly among small and micro-sized enterprises. These limitations are primarily attributed to: (i) restricted capital scales and persistent barriers to credit access;

(ii) elevated input costs exacerbated by deficiencies in management and technological adoption; and (iii) fragmented integration into global supply chains, which confines many firms to low-value-added segments.

On average, during the 2016-2020 period, the labor productivity of the non-state economic sector (including private enterprises) reached only about 29.1% of the FDI sector's productivity and 24.6% of the state sector's productivity (GSO, 2023). These disparities are primarily attributed to fragmented operational scales, capital and technological constraints, and persistent barriers to acquiring high-skilled human capital. This productivity gap poses a significant hurdle to the transition toward a more advanced growth model, necessitating a strategic focus on enhancing governance capacity, accelerating technological adoption, and implementing more targeted financial and credit support mechanisms.

**TABLE 2: Key performance indicators of non-state enterprises, 2000-2015**

<b>Year</b>	<b>Average number of employees (persons/enterprise)</b>	<b>Average capital (billion VND/enterprise)</b>	<b>Average net revenue per worker (million VND)</b>	<b>Gross profit margin (%)</b>
2000	23	2	259.6	1.1
2005	20	3	272.8	-0.1
2010	20	9	472.3	1.8
2015	17	16	726.6	0.6

*Source:* GSO (2016).

Vietnam's accession to the World Trade Organization (WTO) in 2007 marked a turning point in its deep integration, opening up significant opportunities for private enterprises to access international markets, attract investment, and facilitate technology transfer. During this period, numerous large private corporations emerged and flourished, such as Vingroup, Masan, FPT, Truong Hai (THACO), and Hoa Phat, contributing to the formation of a class of large-scale private enterprises with regional competitiveness. However, the private economic sector continued to face limitations regarding productivity, technological proficiency, and access to capital and international markets. The majority of businesses remained small and medium-sized (approximately 96%). Nonetheless, the 2001-2015 period demonstrated the private sector's increasingly clear role as a vital driver of growth and job creation in the Vietnamese economy.

### **3. Development trends and institutional reforms in Vietnam's private economic sector (2016-2025)**

Resolution No. 10-NQ/TW dated June 3, 2017, from the Fifth Plenum of the Twelfth CPV Central Committee “On developing the private economy into an important driving force of the socialist-oriented market economy”, and Resolution No. 68-NQ/TW of the CPV Politburo dated May 4, 2025, reaffirmed the private economy as the most important driving force of the national economy, outlining goals and solutions to encourage and support the sector's development. Concurrently, numerous breakthrough policies and support mechanisms were implemented to remove barriers, facilitate digital transformation, and enhance the productivity and competitiveness of the private economy. Consequently, from 2017 to the present, the private economy has demonstrated robust growth.

#### ***3.1. Achievements and contributions of the private economic sector, 2016-2024***

During the 2016-2024 period, the private enterprise sector in Vietnam continued to play a leading role in the national economy. According to data from the General Statistics Office, an average of approximately 143,500 new private enterprises were established annually. The average registered capital per newly established enterprise reached 12.13 billion VND; notably, in 2020, a year heavily impacted by the COVID-19 pandemic, the average capital per enterprise reached a record 16.6 billion VND, reflecting the sector's resilience and recovery potential.

It is projected that by the end of 2025, Vietnam will have approximately 1.2 million active private enterprises, accounting for 98.9% of the total number of enterprises nationwide, thereby confirming the central position of this sector in the socialist-oriented market economy. During the 2019-2022 period, the average capital growth rate of private enterprises was 12.3% per year, 2.1 times that of the state-owned enterprise sector (GSO, 2024). Additionally, the net revenue of the private enterprise sector was 5.2 times higher than that of state-owned enterprises, demonstrating superior operational efficiency and dynamism.

In particular, the group of 500 fastest-growing private enterprises (FAST500) achieved an average revenue growth rate of 23.5% during the 2021-2024 period, higher than the general average of 22%, while accounting for 60% of total capital and 61.3% of the total assets of Vietnam's entire enterprise sector. As of 2022, the total asset scale of private enterprises reached 10.1 quadrillion VND, 2.7 times that of the state-owned enterprise sector, underscoring the private sector's leading role in accumulating, allocating, and utilizing economic resources (Can, 2025).

TABLE 3: GDP composition by economic component, 2016-2024

Unit: Percent, at current prices

Economic sector	2016	2017	2018	2019	2020	2021	2022	2023	2024
State economy	22.9	22.31	21.34	20.59	20.67	20.81	20.96	21.03	21
Non-state economy	49.6	49.98	50.20	50.55	50.56	50.20	50.00	50.42	51
- Private enterprises	23.3	23.65	24.12	24.7	24.3	24.13	24.03	24.23	24.8
- Individual economy (Business households)	23.1	23.34	23.12	23.01	23.31	23.14	23.05	23.25	23.2
- Collective economy	3.2	2.89	2.96	2.84	2.95	2.93	2.92	2.94	3
Foreign direct investment (FDI) sector	19.6	19.63	20.28	20.35	20.13	20.2	20.5	20.3	20
Net taxes on products	7.9	10	9.97	9.91	9.8	8.8	8.5	8.3	8
Total	100	100	100	100	100	100	100	100	100

*Source: GSO (2025), Can (2025).*

Regarding its significant contribution to socio-economic growth and development, during the 2020-2024 period, the private economic sector continued to assert its position as the primary growth engine of the Vietnamese economy, contributing an average of 50.4% to the GDP - the highest among the three main economic sectors (GSO, 2024). This figure far exceeds that of the state-owned sector (averaging 20.87% of GDP) and the foreign direct investment (FDI) sector (20.3% of GDP), thereby underscoring the pivotal role of the private sector in sustaining growth, creating jobs, and expanding production and business operations nationwide.

According to Can (2025), private enterprises contributed an average of 24.2% of GDP during the 2020-2024 period, while individual business households accounted for approximately 23.2%, and the collective economy (primarily cooperatives) contributed 2.94%. This structure clearly reflects the internal diversity of Vietnam's private sector, where private enterprises serve as the main locomotive of growth. At the same time, business households and cooperatives continue to play a supporting role, particularly in trade, services, and agricultural production.

According to annual socio-economic reports from the General Statistics Office, the private sector exerts a dominant influence on the mobilization and allocation of social resources, accounting for approximately 58% of total social investment capital. This investment dominance underscores the sector's inherent autonomy and its increasing attractiveness in driving production, innovation, and scalability. Furthermore, with the private economy contributing roughly 30% of the nation's total import-export turnover, these figures affirm the growing capacity of Vietnamese enterprises to integrate effectively and move upward within global value chains.

**TABLE 4: Selected indicators of private sector contribution to the Vietnamese economy, 2020-2024**

<b>Main economic indicators</b>	<b>Private economic sector</b>	<b>Comparative analysis</b>
Share of GDP	50.4%	State: 20.87%; FDI: 20.3%
Internal structure of the private economy (within GDP)	Private enterprises: 24.2%; Business households: 23.2%; Cooperatives: 2.94%	–
Share of total social investment capital	58%	State: 26.8%; FDI: 15.2%
Share of total import-export turnover	30%	FDI: 70.0%
Share of contribution to the state budget	30%	State: 28.0%; FDI: 24.0%
Asset value of private enterprises (2022)	10.1 quadrillion VND (2.7 times higher than the SOE sector)	–
Share of labor in the economy	82%	Public sector: 18.0%
R&D investment-to-revenue ratio	1.6% (5.3-fold increase compared to 2021)	–
Number of private enterprises with market capitalization over 1 billion USD (2024)	13 enterprises	–

*Source: GSO (2025), Can (2025).*

The domestic private sector has become a vital source of state budget revenue, contributing up to 30% of the total. Among these, the 100 largest private enterprises account for the majority of this revenue, with many contributing over 1,000 billion VND annually. On the Vietnamese stock market, 13 private enterprises have a market capitalization exceeding 1 billion USD, reflecting capital accumulation, enhanced competitiveness, and the private sector's sustainable development in the context of deep integration.

In recent times, Vietnam's private enterprise sector has exerted a significant influence, with the emergence of numerous large-scale international brands and superior competitiveness in key economic industries. As of 2024, the country has 190 enterprises with nearly 359 products recognized as National Brands, reflecting a significant leap in the strategy to build Vietnamese brands (Ministry of Industry and Trade, 2024). Notably, leading private corporations have appeared in pivotal sectors of the economy, including telecommunications, finance and banking, automobiles, construction materials, real estate, retail, food processing, and consumer goods. Representative enterprises such as Vinamilk, FPT, Vingroup, Hoa Phat, Truong Hai (THACO), Masan, TH Group, and Vietjet Air have emerged as benchmarks of Vietnamese corporate competitiveness, contributing to enhancing the national position in regional and international markets.

Many private enterprises have achieved prestigious domestic and international awards, affirming their global brand and competitiveness: being among the 500 largest enterprises in ASEAN (Fortune SEA 500), the 100 most valuable brands in Vietnam, the 500 largest brands, and the 1,000 most reputable global brands. Additionally, several joint-stock commercial banks, such as Techcombank, VPBank, ACB, Sacombank, TPBank, and VIB, have entered the group of the 500 strongest banks in the Asia-Pacific region. Notably, two Vietnamese enterprises, TH Milk Food Joint Stock Company (THMF) and Khanh Hoa Salanganes Nest Soft Drink Joint Stock Company, won the Asia-Pacific International Quality Award, demonstrating enhanced management capacity, product standards, and international competitiveness. Five Vietnamese private entrepreneurs have been included in the global billionaire rankings, representing leading corporations such as Vingroup, Vietjet, Hoa Phat, Techcombank, and Masan, underscoring the private sector's position in the global business community.

### ***3.2. Key limitations and challenges facing the private economic sector***

*First*, many development indicators have not met set targets, and scale and productivity remain low. By the end of 2024, the country had over 940,000 private enterprises, failing to reach the goal of one million enterprises by 2020 or 1.5 million by 2025 as per CPV resolutions (Bui, 2025). The private economic sector currently faces three major limitations: (i) a sharp decline in the entry/exit rate of businesses, reflecting weakened business vitality;

47.1% of private enterprises incurred losses during the 2019-2022 period; 94% of enterprises are small or micro-scale, with only 2.6% being large enterprises; (ii) labor productivity in this sector remains the lowest among the three economic sectors, with private enterprises reaching only 60% of the general average and business households only 34%; (iii) low investment efficiency, with the private sector's ICOR reaching 10.1 times during 2017-2024, 1.6 times higher than the FDI sector and 1.2 times higher than the overall ICOR, yet still lower than the state sector's ICOR (13.6 times), indicating limited capital utilization efficiency (Can, 2025).

*Second*, limitations in access to land, capital, and investment opportunities. Private enterprises, especially small and medium-sized ones, face difficulties in accessing land and credit, two core inputs. More than 70% of enterprises reported obstacles in administrative procedures related to land; the land access index score declined from 7.01 in 2021 to 6.75 in 2023 (IFC, 2023; VCCI, 2023). Up to 68% of enterprises consider financial difficulties a primary barrier, with outstanding debt and high interest rates being the two most prominent factors (GSO, 2024). Despite interest rate reductions in 2024, credit accessibility for the private sector remains limited due to a lack of collateral and weak credit profiles. On the other hand, the participation of private enterprises in key national projects and programs remains minimal, reflecting an asymmetry in the distribution of investment and market opportunities.

*Third*, management capacity, human resource quality, and innovation capacity remain weak. Most private business owners have not received formal training, and management relies primarily on experience. The ASEAN Corporate Governance Scorecard shows that Vietnam's average corporate governance score reached only 57/100, the lowest in the region (ASEAN Capital Markets Forum, 2024). The proportion of enterprises practicing modern management, transparent information disclosure, or implementing ESG standards remains low. Furthermore, limited labor quality and technological capacity are major barriers, evidenced by indicators such as: the trained labor rate reaching only 30%, far lower than the ASEAN average of 40-70%; only 18% of Vietnamese enterprises participating in global value chains, primarily in processing stages with low local content (around 20%, with electronics and automobiles at only 10-15%); and R&D investment relative to revenue at only 1.6%, significantly lower than Malaysia (2.6%) or South Korea (10%) (Can, 2025).

*Fourth*, challenges in the "twin transition" of digitalization and greening, alongside weaknesses in the household business sector. Approximately 80% of private enterprises are still in the research phase regarding green transition, while only 14% of listed companies have ESG reports (Can, 2025). Although digital transformation adoption is increasing rapidly, it remains largely at a basic level; enterprises lack the financial resources, personnel,

and long-term strategies needed for digitalization. Additionally, the household business sector (3.6 million households), a large part of the private economy, remains limited in management, transparency, and productivity. Over 3.1 million households have not officially registered their businesses, 80-90% of workers do not participate in social insurance, and their contribution to the state budget is only 1.6%, primarily through flat-rate taxes. Fragmentation, unfair competition, and noncompliance with market standards continue to undermine the private sector's overall efficiency and reputation.

#### **4. Policy directions for developing Vietnam's private economic sector**

##### ***4.1. Institutional refinement and the creation of a transparent, competitive business environment***

The private economic sector can only develop sustainably within a transparent, stable, and open institutional environment. Therefore, it is necessary to accelerate the refinement of the legal system and policy mechanisms to ensure fair competition among economic sectors. The focus should be on the synchronized implementation of Resolution 68/NQ-TW and government action programs to support private enterprises in sustainable development and deep participation in regional and global value chains.

Furthermore, the 2017 Law on Support for Small and Medium Enterprises should be amended to include clear categorization and measurable development indicators compatible with international standards. Periodic evaluations of the quantity, scale, and efficiency of private enterprises are necessary for timely policy adjustments. Simultaneously, the legal framework for the digital economy, green economy, and new business models - including regulatory sandboxes, digital asset regulations, and guidelines for green credit and carbon markets - must be perfected.

##### ***4.2. Formalizing and expanding the private enterprise sector***

A strategic priority is to promote the transition of household businesses into small and micro-enterprises to expand the formal private sector and improve overall productivity. A specialized Decree on converting household businesses into enterprises should be issued, providing simplified procedures and flexible management models suitable for small scales (e.g., not requiring a board of directors or a chief accountant).

At the same time, the State should support training in management, accounting, and IT skills, while providing financial management software and electronic invoicing connected to tax authorities. Linkages between large enterprises, household businesses, and cooperatives should be promoted to form domestic value chains. Authorities should enhance the provision of market information and international policies - especially regarding green standards, safety, origin, and intellectual property - to enable smaller enterprises to integrate more deeply into global supply chains.

### ***4.3. Building a business support ecosystem: technology, finance, land access, and the green-digital transition***

This core group of solutions will help the private sector enhance competitiveness. First, a more balanced financial market must be developed, diversifying products and mobilization channels while reducing credit costs. The State should promote capital markets (stocks, bonds, and investment funds), accelerate the equitization and divestiture of state-owned enterprises, and upgrade the stock market in line with the roadmap to create long-term capital sources.

The State should promptly establish a Green Transition Support Fund and a State Venture Capital Fund, while innovating the operation of the Science and Technology Development Fund to encourage investment in clean technology and innovation. Additionally, the role of the Small and Medium Enterprise Development Fund (SMEDF) should be enhanced, and the Credit Guarantee Fund restructured to better assist SMEs in accessing capital.

Specifically, a public-private partnership (PPP) mechanism should be established for private enterprises with strong financial and technological capacity to participate in national strategic projects such as high-speed railways, digital infrastructure, renewable energy, and logistics.

### ***4.4. Strengthening internal capacity and entrepreneurial culture***

The development of the private economy depends not only on supportive policies but also on a shift in mindset and on enhancing the internal capacity of Vietnamese businesses and entrepreneurs. Communication efforts should be strengthened to disseminate Party and State policies to the business community, while ensuring mechanisms to protect the private sector from economic shocks and market risks.

Enterprises must proactively innovate their management thinking, be bold in action, and take responsibility. They should build long-term development strategies emphasizing transparency, business ethics, and social responsibility. The formation of “national enterprises” with a national vision, aligning corporate interests with sustainable socio-economic development, will be a key factor for the 2045 vision.

## **5. Conclusion**

This article has comprehensively outlined the formation, development, and affirmation of Vietnam’s private economic sector, from being limited in perception and institution to becoming one of the most important driving forces of the socialist-oriented market economy. Over nearly four decades of *Doi Moi*, the private sector has not only contributed significantly to GDP growth, job creation, and budget revenue but has also increasingly demonstrated a pioneering role in innovation, international integration, and sustainable development.

In the context of shifting the growth model from breadth to depth, the development of the private sector carries strategic economic, political, and social significance. It is not only an inevitable requirement to increase labor productivity and technological innovation but also a foundational condition for building an independent, self-reliant, and resilient economy. The development of the private sector also reflects the maturity of market-economy institutions, in which the role of the State shifts from management-intervention to creation-enabling.

To truly become a solid pillar of the economy, the private sector requires synchronized institutional reforms focusing on four strategic directions: (i) perfecting the legal framework for fair competition; (ii) enhancing endogenous capacity through innovation and green-digitalization; (iii) fostering linkages between private enterprises, household businesses, and FDI enterprises; and (iv) building a modern, transparent, and socially responsible national corporate culture. Developing the private economic sector is not only an urgent economic requirement but also a central political task to achieve Vietnam's ambition of becoming a high-income country by 2045.

In this regard, the private economic sector is not merely "an important driving force" of the economy; it is also a measure of the effectiveness of institutional reform, the quality of national governance, and the entrepreneurial spirit of the Vietnamese people. The development of the private sector over the coming decades will constitute a decisive test of the State's capacity to transition from a regulatory and interventionist role to one that creates enabling conditions, fosters innovation, and acts as a genuine partner to business.

Creating a favorable, transparent, and equitable environment for the private sector to flourish will not only yield immediate economic benefits but also help shape the long-term development architecture of Vietnam's economy, enhancing national competitiveness and consolidating the foundations for an independent, innovative, and deeply integrated Vietnamese economy in the twenty-first century.

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