



THE MEKONG DELTA AN EMERGING INVESTMENT DESTINATION IN VIETNAM

Sustainable Growth, Improving Infrastructure,
and an Excellent Investment Climate

Implemented by **giz** Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Phu Quoc Island is becoming one of the most important tourism destinations in the country and accounts for a substantial part of the tourism in the Mekong Delta. Although removed from the mainland, it belongs administratively to Kien Gian province.

Tourism on the mainland is also growing. Can Tho, the region's biggest city, also attracts a sizable number of tourists, including many doing stopovers as part of multi-day tours in the region. Those doing day trips from HCMC typically make visits to the provinces of Tien Giang and Ben Tre, while those traveling overland to Cambodia typically pass through An Giang province, sometimes with a night in the border town of Chau Doc. Most other provinces do not receive many tourists.

Common tourist itineraries and attractions include:

- Day trips from HCMC (such as to My Tho or Ben Tre)
- Overnight trips to the Delta (with stopovers in Can Tho, Cai Be and/or Chau Doc)
- Floating markets (though these are shrinking as modern retailers replace traditional markets)
- Overland trips from HCMC to Cambodia and Phu Quoc via the Mekong Delta
- River cruises



Tourists are also spending more time on their visits than ever before, though most still only stay for just a couple of days. Even on the beach island of Phu Quoc, the average stay is only 2.4 days. More international standard hotels are needed to keep tourists around longer, particularly on the mainland.

Despite recent growth, much of the Mekong Delta mainland's tourism potential remains untapped, and the sector presents massive opportunities for further expansion. This is particularly true as new air and land connections make greater parts of the region more accessible than ever before.

Success Story: Swiss Post Solutions Vietnam Business process outsourcing in the Mekong Delta

Swiss Post Solutions Vietnam, a 100 percent foreign-owned entity under the umbrella of Swiss Post Group, is one of several outsourcing companies that have successfully leveraged the Mekong Delta's low-cost workforce for business success. A provider of BPO, software development and other IT services in 30 languages, the company set up a production site in Can Tho to supplement its central offices in HCMC.

Located just three hours from HCMC, the Can Tho production site has helped SPS grow its Vietnamese workforce from just a few dozen employees in 2004

to roughly 1,200 today. While competition for IT and BPO talent in HCMC has grown fierce in recent years, the Mekong Delta provides ongoing value, particularly for labor-intensive and relatively simple BPO tasks like data entry and digitization. With 30% of local graduates meeting requirements for IT jobs, the region provides a good pool of mid-level IT workers as well.

According to CEO Anatolijus Fouracre, the city offers relatively stable internet, strong support from the provincial government and a deep labor pool to fuel continued growth. SPS plans to make Can Tho one of its most important production locations in the next three years. The company intends to double its staff of 400 workers, and is already recruiting up to 100 new workers per month. It keeps productivity high and reduces turnover by offering performance-based compensation and a variety of local CSR programs.