

2. Read the extracts and answer the questions that follow.

Text D — Vietnam: growth and diversification

1 Vietnam's economy expanded by 5.8 % in 2024, supported by exports of electronics, textiles and agricultural products. **Foreign direct investment (FDI)** inflows remained robust as multinational firms sought to diversify supply chains. However, productivity growth in small and medium-sized enterprises has been slower.

2 The government continues to invest heavily in transport and energy infrastructure, aiming to support industrialization and trade integration. Public investment is financed partly by concessional loans from international development partners.

Text E — Inequality and environmental challenges

1 Despite rapid growth, income inequality has widened between rural and urban regions. The share of employment in agriculture has declined to below 25 %, while urban manufacturing and services have expanded. The Gini coefficient increased from 0.34 in 2015 to 0.38 in 2024.

2 Rising energy consumption has increased carbon emissions. The government has introduced environmental taxes on fossil fuels and provided **subsidies** for renewable energy investment.

Text F — Sustainable development strategy

The national development plan aims to achieve upper-middle-income status by 2030. Policy priorities include expanding education access, improving labour productivity, and attracting FDI into high-technology sectors. Vietnam's participation in new trade agreements has improved export opportunities but also increased exposure to external demand shocks.

Table 3: Selected indicators for Vietnam (2015–2024)

Indicator	2015	2024
Real GDP (US\$ bn)	193.0	435.0
Population (millions)	93.0	100.0
FDI inflows (US\$ bn)	11.8	21.6
Gini coefficient	0.34	0.38
HDI	0.68	0.73

Figure 2: Vietnam - Sectoral composition of GDP (%)

