

VIETNAM

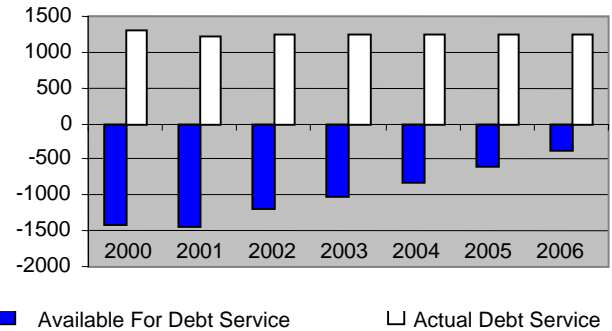
Analysis	2000	2001	2002	2003	2004	2005	2006
MDG Spending	4,214	4,332	4,401	4,502	4,606	4,712	4,820
Total Spending	7,246	7,426	7,809	8,129	8,465	8,819	9,191
Projected Revenues	4,518	4,672	5,214	5,621	6,059	6,530	7,037
Overseas Dev. Assistance	1,318	1,306	1,401	1,495	1,589	1,683	1,778
Total Income	5,836	5,979	6,615	7,116	7,648	8,214	8,815
Available for Debt Service	-1,410	-1,447	-1,194	-1,013	-817	-605	-376
Actual Debt Service	1,303	1,216	1,256	1,256	1,256	1,256	1,256

HIPC Initiative Progress Update

Sustainable Unsustainable
 Decision Point
 Completion Point

- Relief committed (NPV terms)
- Relief delivered (NPV terms)

Debt Sustainability (US\$ million)



Vietnam is considered a sustainable case under the HIPC initiative and as such will not be receiving any debt relief under the initiative. However, according to the MDG debt sustainability analysis, Vietnam will need total debt cancellation and significant increases in aid if it is to meet the Millennium Development Goals. However, Vietnam is one of the largest HIPC debtors, with a total debt stock of \$12.6 billion in nominal terms. This makes it unlikely that creditors would support any re-entry of Vietnam into the HIPC initiative, as it would substantially increase the burden on them.

Current Economic Situation	Progress Towards MDGs
GDP average growth 1998-2002 = 6%	Income poverty → Progress
Export growth 2000-2001 = 8.5%	Hunger → Progress
Import growth 2000-2001 = 2.3%	Primary education → No data
Main export 2001 = Crude Oil	Child mortality → Progress
Main export as a % of total = 21.3%	Access to water → Progress
Price change in main export 1997-2002 = 21.5%	