



**USAID**  
FROM THE AMERICAN PEOPLE

# SUPPORT FOR TRADE ACCELERATION (STAR) IN VIETNAM

**FINAL REPORT**

**FEBRUARY 2007**

This publication was produced for review by the U.S. Agency for International Development. It was prepared by Steve Parker and Phan Vinh Quang of DAI, and Abt Associates, Inc.

# SUPPORT FOR TRADE ACCELERATION (STAR) IN VIETNAM

FINAL REPORT

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

**Contract/Project No.:** PCE-I-833-98 00017 00

**Submitted to:** United States Agency for International Development



Abt Associates Inc.

Abt Associates Inc. ■ 4800 Montgomery Lane, Suite 600 ■

Bethesda, Maryland 20814 ■ Tel: 301.347.5000.■

Fax: 301. 634.1700■ [www.abtassoc.com](http://www.abtassoc.com)

# CONTENTS

- CONTENTS ..... I**
- TABLES AND FIGURES ..... III**
- ABBREVIATIONS ..... IV**
- INTRODUCTION AND SUMMARY OF KEY RESULTS ..... 1**
  - Key Results—Massive Legal and Economic Reform ..... 1
  - Program Highlights—Successful Implementation of the BTA and Vietnam’s Accession to the WTO ..... 2
  - Lessons Learned..... 5
  - Building a Foundation for Future USAID Programming..... 5
- I. VIETNAM’S DEVELOPMENT CONTEXT .....10**
  - The Legal and Economic Impacts of the U.S.-Vietnam Bilateral Trade Agreement ..... 10
  - Vietnam’s Economic Transformation ..... 11
- II. USAID/STAR’S MODUS OPERANDI .....13**
  - The Benefits of USAID/STAR’s Demand-Driven Programming Process ..... 13
  - Effectively Positioning USAID/STAR’s Technical Assistance—The “Firewall” between STAR and Official Government Processes ..... 15
  - Managing High Demand for USAID/STAR’s Technical Assistance... 16
  - Managing USAID/STAR’s Public Profile ..... 18
  - The USAID/STAR Team ..... 19
  - An Overview of USAID/STAR’s Far-Reaching Results ..... 23
  - Summary of Program Outputs ..... 31
- III. FINANCIAL MANAGEMENT OF STAR.....33**
  - Guiding Principles of Financial Administration ..... 33
- IV. KEY LESSONS LEARNED .....35**
  - The Critical Role of the Government Steering Committee, Demand-Driven Program Activities, Direct Support for Our Technical Counterparts, and USAID Leadership ..... 35

Linking BTA- and WTO-Related Reforms with Systematic Advances in Vietnam’s Legal System .....	35
USAID’s Investment in a Strong Resident Team Operating in “Real Policy Time” .....	36
Effective Donor Cooperation and Integration with Other U.S. Government-Funded Programs .....	37
Strong Coordination and Communication with the Steering Committee and USAID .....	38
The Need for a Technical Assistance Team to Fit Into Government-Led Implementation and Negotiating Processes.....	38
<b>ANNEX A SUMMARY OF USAID/STAR-SUPPORTED TECHNICAL ASSISTANCE PROGRAMS</b>	
<b>ANNEX B STAR BUDGET EXPENDITURES</b>	

# TABLES AND FIGURES

## TABLE

1	Examples of the Impact of Reforms Supported by STAR .....	25
---	---	----

## FIGURES

1	Values, Rates of Growth, and Shares in Total Exports of Vietnam's Exports to the United States: 2000–2006.....	12
2	The Number of <i>Official Gazette</i> Issues Published Annually...	29
3	U.S. Implemented FDI .....	30

# ABBREVIATIONS

BTA	U.S.-Vietnam Bilateral Trade Agreement
CIEM	Central Institute for Economic Management
DANIDA	Danish International Development Agency
FDI	foreign direct investment
FIA	Foreign Investment Agency
IPR	intellectual property rights
NTR	normal trade relations
MARD	Ministry of Agriculture and Rural Development
MFN	most favored nation
MPI	Ministry of Planning and Investment
PNTR	permanent normal trade relations
RDMA	Regional Development Mission-Asia
SAI	Samuels Associates International
SPS	sanitary and phytosanitary standards
STAR	Support for Trade Acceleration (USAID-funded project)
SC	Government Steering Committee
TIFA	Trade and Investment Framework Agreement
TRIMs	Trade-Related Investment Measures (WTO Agreement)
UNCITRAL	United Nations Commission on International Trade Law
UPOV	International Union for the Protection of New Varieties of Plants
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USVTC	U.S.-Vietnam Trade Council
USTR	U.S. Trade Representative
VCCI	Vietnam Chamber of Commerce and Industry
WTO	World Trade Organization

# INTRODUCTION AND SUMMARY OF KEY RESULTS

In response to a U.S. Agency for International Development (USAID) priority to support implementation of the U.S.-Vietnam Bilateral Trade Agreement (BTA), the Support for Trade Acceleration (STAR) contract was signed in late September 2001. The technical assistance team commenced operations in Hanoi three weeks later. After several extensions, STAR closed on February 15, 2007. The prime contract for STAR (contracted through the Support for Economic Growth and Institutional Reform: General Business Development and Trade Investment I indefinite quantity contract) was originally awarded to PricewaterhouseCoopers, which led a consortium of organizations that included Development Alternatives, Inc. (DAI), which provided technical leadership in the implementation of the project; the Baker & McKenzie Law Firm; and Samuels International Associates. Subsequently, the prime shifted to IBM when it purchased PricewaterhouseCoopers, and finally to Abt Associates, which purchased IBM's International Public Sector Practice. The U.S.-Vietnam Trade Council (USVTC) was added as a key subcontractor for the last two years of the project. STAR was funded with \$13.6 million over five years and five months.

## Key Results—Massive Legal and Economic Reform

By all accounts, STAR surpassed the expectations of all parties. As the first major USAID-funded technical assistance project in Vietnam since the war, and the first USAID-funded project that was designed specifically in coordination with the U.S. Trade Representative (USTR) to support implementation of a trade agreement, STAR broke new ground at every stage of its operations.

USAID, in close collaboration with the U.S. Embassy, developed STAR in response to a request by the Vietnamese government to support implementation of the BTA as well as Vietnam's aspirations for accession to the World Trade Organization (WTO). The BTA—a comprehensive and highly technical trade agreement—normalized economic relations between Vietnam and the United States when it came into effect on December 10, 2001. It was designed by both governments to be a “stepping stone” toward Vietnam's WTO accession. In essence, the BTA and subsequently WTO accession requirements served as STAR's scope of work.

The request for technical assistance was made through the USTR to USAID and the U.S. Embassy during the negotiations of the BTA from 1995 to 1999. Once it became clear, in the spring of 2001, that the BTA would be approved by the U.S. Congress and Vietnam's National Assembly, USAID moved with remarkable speed to develop and issue the request for proposal, evaluate submissions, and award the contract.

The Government of Vietnam moved equally quickly to establish an innovative Government Steering Committee (SC) chaired by a Vice Chairman of the Office of the Government (essentially the Prime Minister's office) and including nine representatives of other ministries and state agencies affected by the BTA. Initially, STAR was authorized to support activities to implement the BTA with 17 state agencies, but this was steadily increased to a significantly larger number—47 state counterparts. No

other donor project in Vietnam has ever been given a mandate to work with so many counterparts on so many issues as USAID/STAR.

USAID/STAR supported one of the most massive legal and economic reform efforts ever achieved by a developing country, building upon the solid programming foundation provided by USAID and the Vietnamese government.<sup>1</sup> From 2002 through 2006, Vietnam, as both a developing and a transition economy, rewrote or developed anew almost every law and regulation affecting commercial activity and related judicial procedures. Critically, these reforms responded both to the domestic-driven need for developing a legal system to support a market-oriented economy with a growing private sector, and the international, treaty-driven requirements for BTA and WTO compliance.

USAID and the SC required that STAR work on a demand-driven basis—that is, STAR would develop its technical assistance activities to respond promptly and strategically to requests from counterparts to support activities to help them implement the BTA and accede to the WTO. To ensure that priorities were met, the SC and USAID approved all STAR activities. In practice, USAID/STAR provided demand-driven assistance to more than 20 ministries, four committees of the National Assembly, key committees of the Party, the Supreme People’s Court, the Supreme People’s Procuracy, a number of provincial People’s Committees, and the business sector through the Vietnam Chamber of Commerce and Industry. To most effectively support each request, USAID/STAR typically provided a tailored mix of legal analysis and comments on draft legislation, support for policy seminars and training workshops, development of research reports, dissemination of reference materials, development of websites, and strategically targeted local and international study missions.

## **Program Highlights—Successful Implementation of the BTA and Vietnam’s Accession to the WTO**

Our support facilitated reforms in 93 laws and regulations, of which 69 had been enacted by the close of the project. The remaining 24 were still being developed and are expected to be passed in the next year or two. By working at literally every stage of the legislative development process (changing the letter of the law), and with almost every institution responsible for implementing the reforms (enforcing the law in practice), USAID/STAR—in practice —became an integral part of Vietnam’s legal reform efforts. USAID/STAR helped most directly by explaining the relevance of BTA and WTO requirements and, more generally, by providing perspectives on international “best practice” regarding domestic-oriented legal reform.

USAID/STAR helped to advance the reforms within the Vietnamese system by providing detailed legal comments on often multiple drafts of each of these laws and regulations and by supporting several hundred seminars to gain feedback from stakeholders and to encourage consensus among state officials. In collaboration with myriad public and private sector partners, USAID/STAR trained

---

<sup>1</sup> In 2001, there was considerable concern among many in Vietnam about the impact of the BTA. Many considered the huge number of reforms required to be made by Vietnam (and almost none by the United States, except for extending normal trade relations-most favored nation [NTR-MFN] trade status) to be one-sided, and many doubted that Vietnamese exporters would be able to penetrate the complicated and highly competitive U.S. market. These concerns, of course, were quickly relieved after Vietnamese exports to the United States boomed, and after Vietnam steadily made the serious legal reforms required to comply with the BTA. In addition, there was concern among many in Vietnam about what a USAID technical assistance team would do, since no major USAID program had yet been implemented in the Socialist Republic of Vietnam. The leadership provided by Vietnam’s Office of the Government and USAID at the beginning of the process opened the door for STAR to develop widespread credibility among Vietnamese counterparts that is now almost taken for granted. STAR was asked to support many of the most sensitive reforms in Vietnam, and was often the only donor team so trusted.

thousands of government officials and businesses to improve their understanding of BTA and WTO requirements, and, once key new laws were promulgated, to build their capacities to enforce the new laws more effectively. Carefully selected study missions to the United States, to Vietnam's Asian neighbors, and within Vietnam were used to help key government leaders gain firsthand knowledge of how other countries (or local provinces) were handling important issues related to BTA/WTO compliance. To encourage greater transparency and better governance, USAID/STAR supported the development of four websites—by the Vietnam Chamber of Commerce to post draft legislation for public comment; by the Office of the Government for a pilot *Electronic Official Gazette*; by the Investment and Trade Promotion Committee of the Ho Chi Minh City People's Committee for a website on BTA and WTO issues; and by the Supreme People's Court to create its first-ever website. In addition, USAID/STAR supported the first-ever publication of court decisions by the Supreme People's Court's Supreme Judicial Council.

USAID/STAR worked with counterparts to develop a number of research reports to assess the impact of the BTA on Vietnam's trade, investment, economic structure, and legal system. These reports were highly publicized by our counterparts to help raise public understanding of the successful impact of the BTA on Vietnam's economy, and to identify remaining challenges. Especially from 2002 to 2004, following the coming into force of the BTA, our reports documented the rapid growth of bilateral trade between the two countries, contributing importantly toward building public support for further reforms and eventual WTO accession. In 2005, just before the first-ever visit by Vietnam's Prime Minister to the United States, we cooperated with the Ministry of Planning and Investment to develop and release a seminal report documenting the strength of U.S. foreign direct investment into Vietnam. In addition to the reports developed with our assistance, USAID/STAR supported distribution throughout the country of more than 50,000 reference materials on important issues related to the BTA and WTO, including almost 10,000 copies of the Vietnamese version of the BTA published in Vietnam's *Official Gazette*.

As presented in more detail below and in the USAID/STAR-Supported Activity List (Annex A), USAID/STAR's overall outputs over five years and five months of operation can be summarized as follows:

- **Laws Supported.** USAID/STAR provided tailored support, including detailed legal comments on often multiple drafts, to help rewrite or develop anew 93 laws and regulations, of which 69 were adopted by project close-out on February 15, 2007. The remaining reforms still in development are expected to be approved over the next year or two.
- **Seminars Supported.** USAID/STAR supported counterparts in the organization of around 290 seminars and workshops for approximately 20,400 state officials and business leaders to promote reforms, to enhance understanding of BTA and WTO requirements, and to provide training to improve enforcement of the new laws.
- **Research Reports Published.** USAID/STAR worked with counterparts to produce a series of research reports that analyzed the impact of the BTA on Vietnam's trade, investment, economic structure, and legal system; enhanced public understanding of the BTA and its largely positive impact on the Vietnamese economy; and identified remaining challenges.

- **Websites Supported.** USAID/STAR worked with four key counterparts to develop websites (and, with the courts, to publish court decisions for the first time) to increase transparency and encourage public feedback on legislative reforms.
- **References Provided.** USAID/STAR worked with counterparts to develop and publish more than 58,000 copies of reference materials related to the BTA/WTO, distributed throughout Vietnam to government officials, National Assembly deputies and staff, judges, and prosecutors, as well as to Party and business leaders.
- **Study Missions Conducted.** Working closely in most cases with the USVTC, USAID/STAR organized 28 study missions for 180 officials to the United States, to Vietnam’s Asian neighbors, and within Vietnam. To enhance understanding and support for key BTA/WTO-related reforms, these were carefully targeted to help government leaders gain firsthand knowledge of how other countries (or local provinces) were handling key issues related to BTA/WTO compliance.

Probably most fundamentally, beyond the raw output figures, USAID/STAR was a major contributor to what is widely viewed as Vietnam’s successful implementation of the extensive technical obligations of the BTA and Vietnam’s accession to the WTO on January 11, 2007.<sup>2</sup>

Not only did Vietnam meet demanding requirements for BTA implementation and WTO accession, it also greatly strengthened its legal framework for domestic market activity—a critical requirement for facilitating the development of a more robust private sector. USAID/STAR was asked to support reforms on specific elements in laws and regulations required by the BTA or WTO, as well as to provide international best practice perspectives on the many other legal provisions needed to improve the domestic legal and commercial system.<sup>3</sup> With deep knowledge on Vietnamese law and institutions, USAID/STAR’s expert team worked with Vietnamese counterparts on strengthening Vietnam’s internal legal system by improving its clarity and consistency through more precise drafting language, the reduction of confusing overlap among legal instruments, and the enhancement of transparency throughout the system. In these ways, USAID/STAR supported not only trade and investment reform in Vietnam, but also fundamental improvements in the nation’s overall rule of law, capacity and independence of the courts, economic governance, and legal framework for private sector development. USAID/STAR became the de facto lead donor assistance team to support compliance with international treaty commitments and broad-based legal development in Vietnam.

---

<sup>2</sup> The United States also approved permanent normal trade relations (PNTR) for Vietnam in December 2006, leading to the elimination of U.S. quotas on Vietnamese apparel exports upon its accession to the WTO and essentially fully normalized trade relations (except for the extension of non-market economy status for Vietnam for a number of years as negotiated in the WTO Accession Protocol).

<sup>3</sup> For example, Vietnam’s core law on civil society, the Civil Code, included key parts that affected intellectual property rights (IPR), secured transactions, contract law, and much more. The BTA specifically required amendments on IPR, but STAR was asked to intensively support reforms in many of the other elements of the Code that provide the legal framework for civil relations in Vietnam. In particular, STAR supported major improvements in the parts on contract law and secured transactions. Thus, again, as Vietnam was meeting its international treaty obligations, it was also strengthening and deepening its legal framework for domestic market activity and economic governance. While STAR always gave priority to supporting the reforms needed to meet BTA and WTO requirements, the project team was typically heavily involved in many of the key reforms needed to build a stronger and more transparent domestic legal system.

Vietnam’s President Nguyen Minh Triet and U.S. President George W. Bush explicitly noted the key role played by USAID/STAR in a joint communiqué following President Bush’s State Visit to Vietnam in November 2006. Similarly, then-Deputy Prime Minister Vu Khoan noted at an Annual General Consultative Meeting of Donors in December 2005 that future donor-funded technical assistance programs to support implementation of the WTO should be modeled on the effective work of USAID’s STAR project. U.S. Ambassador Michael Marine and the USAID’s Country Director, Dennis Zvinakis, have noted many times the important contributions made by USAID/STAR, as have USTR and other U.S. government officials. In recognition of the outstanding contributions made by the STAR team during his tenure as Project Director, Steve Parker was presented with special medals from the Supreme People’s Court for “Development of the Courts” and from the Ministry of Justice for “Promoting Legal Development,” and with Certificates of Appreciation by the Office of the Government and the National Assembly. Such recognition both underscores the important contributions made by USAID/STAR and illustrates the project’s significant reach throughout the political and institutional reform process in Vietnam. It also reflects the important but less tangible contributions made by USAID/STAR to enhance understanding and to facilitate exchanges between Vietnamese and Americans during these initial years of normalized relations between the two countries.

## Lessons Learned

A number of lessons were learned from the operation of the USAID/STAR project that may be useful for consideration in the development of other technical assistance projects, both in Vietnam and worldwide. Lessons are summarized here, and described in more detail in Section IV of the report.

- **Operating on the Cutting-Edge of Leadership and Transformation**—The critical role of the Government Steering Committee, demand-driven program activities, direct support for technical counterparts, and proactive USAID leadership
- **Using Trade Agreements to Spur Systematic Domestic Reform**—The linking of BTA/WTO-related reforms with the systematic strengthening of Vietnam’s legal system
- **Building Project Capability to Operate in “Real Policy Time”**—USAID’s investment in a strong resident project team
- **Effectively Positioning Technical Advisors**—Integrating USAID/project-level technical assistance into government-led processes to implement and negotiate trade agreements
- **Productive Donor Cooperation and Integration with Other U.S. Government Programs**—Limiting wasteful overlap, leveraging available resources, and maximizing program synergies
- **Good Communication Channels**—Strong coordination and communication between STAR, the SC, and USAID

## Building a Foundation for Future USAID Programming

Under USAID and SC leadership, STAR has established a strong foundation for continuing USAID support for Vietnam’s implementation of the BTA and WTO, and new U.S.-Vietnam trade initiatives such as establishing a Trade and Investment Framework Agreement (TIFA). Furthermore,

USAID/STAR's far-reaching network of effective working relationships with most key state agencies and private stakeholders, and our reach into such a broad range of major reform issues, provide USAID with a strong basis for expanding programs among a wide spectrum of important areas in economic growth, legal development, governance, and regulatory and administrative reform. Under USAID guidance, this basis can also continue to serve as a cost-effective way to position, leverage, and enhance the value of other U.S. Government programs in Vietnam, and, more generally, other donor projects can benefit from USAID/STAR's positioning, networks, and understanding of the issues.

Building on this foundation, and in response to a request by the Vietnamese government, USAID developed a follow-on project (STAR 2), with a contract award in September 2006, to continue STAR's work for another three to five years. Under USAID leadership, the program capacities built in STAR 1 can be passed to STAR 2. Since STAR 1 was integrally involved with a wide range of ongoing efforts by counterparts to advance legal reforms and to build capacities—efforts not dependent on the USAID cycle for developing a new project—a number of counterpart-support activities that were initiated in 2005 and 2006 under STAR 1 will not be completed until 2007 or beyond. These include laws and regulations scheduled for approval after 2006, various training programs with objectives that require ongoing efforts, completion of several major website designs, and several research reports where data and counterpart inputs required updating. The timely start-up of STAR 2 was designed by USAID and the SC to allow STAR 2 to pick up smoothly and seamlessly on these ongoing programs with key counterparts.

In addition, a model is in place for the effective delivery of coordinated programs with other U.S. Government agencies and other donors. Especially of relevance over the next five years will be USAID/STAR cooperation with the new multi-donor fund to support WTO implementation—the “Beyond the WTO Facility”—as well as a number of other donor initiatives on WTO implementation. This facility has incorporated a number of innovations that have proved successful for USAID/STAR, including the development of a Government Steering Committee headed by the same Vice-Minister of the Office of the Government that will operate in parallel and in close cooperation with the USAID/STAR Government Steering Committee.

### **REMAINING CHALLENGES—IMPLEMENTATION AND ENFORCEMENT OF NEW LAWS**

Although Vietnam has made notable progress in meeting the requirements of its trade agreements and developing its internal legal framework for commercial activity and judicial procedures, much remains to be done over the next five years, particularly in the context of WTO implementation. At the core of this challenge, Vietnam must strengthen its institutional and human resource capabilities to enforce its laws and regulations more effectively on the ground—primarily a task for the government—and its business sector and civil society must be enabled to understand and comply with the new laws and take advantage of emerging economic opportunities.

Over the last five years, Vietnam has made major reforms to its legal system in terms of developing new “rules of the game” for economic activity. Along with these many reforms, however, there is increasing evidence that there has been a creeping resurgence in administrative red tape, permits, inspections by regulators of regulatees, and, more generally, regulatory burden. This has occurred not so much as a systematic policy—many of the new legal reforms aim to improve the business environment—but more as an unintended consequence of developing so many new laws and

regulations to deepen the Vietnamese commercial legal system. Given the tradition of legal development in Vietnam, each new law or regulation introduces new administrative procedures for compliance, new inspection procedures, and so on. In each case, the new rules and procedures may be less burdensome and more targeted than in the past, but cumulating so many new laws and regulations actually causes the overall regulatory burden on a private firm to be greater. And, in some cases, new regulations have been added that add burden purposefully (such as the new requirement that larger private investment projects be evaluated and approved by the government).

Thus, the next five years are likely to see a greater focus on improving the institutional capabilities to “implement and enforce” the new rules, evolving the “leading” role of the state toward becoming a facilitator of market-based economic activity with a growing private sector and increasing integration into the global economy. Increasing emphasis will be placed less on developing major new laws to guide economic activity, but more on improving the effectiveness of existing laws and regulations, especially as they are applied in practice. The further improvement in Vietnam’s internal legal system will continue to be closely linked with international efforts to monitor the implementation of Vietnam’s trade agreements, especially the implementation of WTO accession obligations. Bilateral dialogue on trade and investment issues between Vietnam and the United States will be conducted increasingly within the context of TIFA procedures.

Vietnamese authorities, as well, will be constantly challenged to maintain high growth rates that spread their benefit as broadly as possible among businesses, workers, farmers, and families throughout all regions of the country, with a continuous focus on reducing poverty and moderating income disparities. The major liberalization of market access required for WTO accession will create many “winners,” but there will be some who will “lose.” It will be important to develop policies that allow Vietnamese to maximize the benefits from the WTO, and that moderate or offset losses to vulnerable groups. The following summarizes a number of key challenges ahead for Vietnam where we expect that USAID and STAR 2 can play an important supporting role over the next five years.

**Fine-Tuning the Massive Legal Reforms Completed Over the Last Five Years.** Vietnam has largely rewritten most of its laws and regulations regarding commercial activity and judicial procedure over the past five years, spurred on by the urgency of meeting deadlines related to BTA implementation and WTO accession. These massive reforms have not only brought Vietnamese law more in line with international practice, but they have also broadened and deepened Vietnam’s internal legal framework for a market-based economy. It is natural that many of these new laws and regulations would have to be refined to respond to unforeseen practical problems in implementing the reforms on the ground and to the rapidly evolving domestic and global business environment. This need for refinement is especially so for the many complicated laws developed at “break-neck” speed in 2005 and 2006 to meet WTO deadlines. Vietnam’s common practice, however, is to review and adjust laws and regulations every five years or so, rather than on a continuous basis. It will be critical for Vietnamese authorities to monitor closely the implementation of its new laws and regulations, and to make relatively quick, fine-tuned adjustments to ensure that the new laws and regulations are facilitating economic activity as efficiently as possible. Given USAID/STAR’s role in helping to develop almost all of these new laws, STAR 2 should be able to play a critical role in supporting Vietnamese counterparts in this process of review and refinement of existing laws and policies.

**Overcoming the “Implementation Gap.”** Much of the legal reform accomplished over the past five years has focused on improving the framework for commercial activity—the “rules of the game.” Modernizing and adjusting the organization, functional focus, administrative procedures, and

incentives in Vietnam’s state institutions, however, have evolved more slowly, leaving what is widely perceived as an “implementation gap.” This is an ongoing challenge, of course, for all governments, whether developing or developed. Two key elements of this challenge, both of which STAR 2 is well positioned to support, are: 1) developing new laws on the organization, function, procedures, and incentives of key state institutions; and 2) helping to build the institutional capacities and human resources needed to improve the effectiveness of government operations, with a particular focus on economic and judicial activity and related capacities in business and civil society.

- **Developing New Laws to Enhance the Effectiveness of State Institutions:** The following new “institutional-strengthening” laws, most of which STAR supported during initial stages of development, are examples of the types expected to be developed over the next five years to significantly modernize and improve the effectiveness of state institutions:
  - *Strengthening Government Administrative Procedures* – a new Law on Administrative Procedures, a new Law on Administrative Tribunals, and a new Law on Complaints Against Administrative Decisions by Government.
  - *Modernizing the Judicial and Criminal System* – major revisions of the Law on the Organization of the Supreme People’s Court and the Law on the Organization of the Supreme People’s Procuracy, a new Code on the Enforcement of Judicial Decisions, major revisions to the Criminal Code and Criminal Procedures Code (especially to enhance prosecution of IPR crimes), and a new Law on Procedures for Handling Administrative Dispute Cases
  - *Enhancing the Efficiency and Transparency of Legislative Procedures* – a major revision to the Law on the Promulgation of Legal Normative Documents and its likely consolidation with the “Law on Local Laws”
  - *Improving Government Regulatory Rules and Procedures* – aimed to reduce the regulatory burden and develop more effective, “arms-length” regulatory procedures for a number of sectors, including 1) a full rewriting of the legal framework for financial markets (in addition to the recently approved Securities Law), including a new Law on the Central Bank, major revisions to the Law on Credit Institutions, a new Law on Prudential Supervision for Financial Institutions, and a new Law on Deposit Insurance; 2) a new Law on Telecommunications; and 3) an improved legal framework for reducing unnecessary compliance burdens of appropriate government regulation, including the streamlining of procedures or outright elimination of certain licenses and “baby” permits and of certain government inspection processes of private activity, and possibly, establishing regulatory assessment reviews to monitor regularly whether an excessively costly burden is imposed by regulators on regulatees. Transparency and due process in all regulatory processes will need to be continually enhanced.
- **Building Institutional and Human Resource Capacities in State Agencies, Universities, Business, and Civil Society:** Although the challenge of continually advancing legal reform is daunting, the need to build institutional and human resource capacities to implement these reforms effectively is surely even more difficult (and more expensive). As the requirements of BTA and WTO implementation permeate all the more to provincial and local levels, the need for officials to understand international best practice and the key elements of the rapidly developing legal and policy system focuses attention not only on national officials, but increasingly on training local officials and making sure they have access to relevant information. Such information on laws,

policies, regulations, and administrative procedures is needed as well by businesses, lawyers, civil society organizations, and the general public throughout the country. This raises the importance of good state and stakeholder websites, good newspaper reporting, and transparency processes. Extensive training will be needed as well. In the short term and in special cases, specifically targeted training programs for officials or stakeholders will be required. More fundamentally, however, it will be critical to develop much stronger education and training institutions—training the trainers. For state agencies, this will include developing their in-house training facilities, both for new employees and, importantly, to provide in-service training to mid-level and senior staff. For the longer term, universities and vocational training will need to be strengthened considerably. Such educational and training reforms and institutional strengthening will require major government and donor attention, far beyond the capacities of USAID/STAR. USAID/STAR can, however, play a useful role in developing legal and economic training institutes in several key state institutions, including the training institutes for the Ministry of Justice, Supreme People’s Court, and Supreme People’s Procuracy. More generally, USAID/STAR can play a leading role in providing reference materials and conducting seminars (that include trainers and university staff) on the international best practices and economic and legal impacts related to implementing the BTA and WTO.

**Developing Research Reports on the Impact of BTA Implementation and WTO Accession.** The BTA and WTO made two paramount contributions to Vietnamese development. First, they provided focus and urgency for Vietnam to modernize its legal and administrative system and to bring it in line with international best practice. Second, these agreements (especially the WTO) required Vietnam to open many key sectors to greater competition from foreign producers, service providers, and investors. When tariffs on imported goods and market access limitations on foreign services and investment are reduced substantially, many “winners” benefit from these reforms, but others may become worse off. It is important to evaluate the impact of these trade agreements on different sectors of the economy and segments of society, and to develop policy options for maximizing the benefits and minimizing the losses. This effort will also help enhance public understanding of the overall impact of these agreements and build broad support for further reforms. With regard to the first contribution, researchers should examine the impact of the many legal reforms on economic activity at the local level, in practice. Such research can identify, on an ongoing basis, the strengths and weaknesses in current laws and administrative capacities, recommending methods to overcome weaknesses as quickly as possible.

The following reports in more detail on the operations of USAID/STAR. Section I is an overview of the development context in which USAID/STAR worked. Section II reviews how USAID/STAR operated, including a summary of key outputs and accomplishments. Section III reviews the financial management of USAID/STAR. We close with a series of lessons learned in Section IV. Annex A lists all key USAID/STAR activities; Annex B provides more detailed financial data.

# I. VIETNAM'S DEVELOPMENT CONTEXT

In 2000, Vietnam was struggling to rebound from the negative effects of the Asian financial crisis, which had slowed export and foreign investment growth. More fundamentally, jobs were needed for the estimated 1.5 million young people entering the labor force each year (as the result of a post-war baby boom, around half of all Vietnamese are younger than 25), in addition to the existing millions of poor, underemployed people in rural areas hovering around poverty income levels. Furthermore, Vietnam's export structure was highly distorted as a result of limited access to the U.S. market because economic relations had not been normalized. Unlike its Southeast Asian neighbors, Vietnam's exports were dominated by primary products, and the United States was one of its smallest export markets.

Given these economic and demographic factors, and a government priority to maintain social stability and continue broad-based, rising prosperity, it became increasingly clear to most Vietnam's leaders that economic growth and job creation had to be stimulated. As the Vietnamese had learned by comparing the experiences of central planning and state-led growth with the spectacular successes of their neighbors in East Asia (especially China), most leaders saw that Vietnam had to make the transition quickly to a market-oriented economy with a rapidly growing private sector. It needed, as well, to find new markets for its exports, especially labor-intensive manufacturing exports, which focused attention particularly on the need to open access to the U.S. market.

In response to these pressures, Vietnam enacted an Enterprise Law that made it much easier to form private firms and a new Customs Law that significantly streamlined procedures to clear goods through the ports. It also concluded the negotiations for the BTA, which would open up the U.S. market for Vietnamese exporters, and began to move forward its WTO accession efforts beyond the initial transparency stage of hundreds of questions and answers. Vietnam astutely used the trade agreements to add urgency and focus to stimulate domestic reforms. This momentum created a mandate to develop the laws, regulations, administrative procedures, and institutions needed to support a more market-driven, private sector-led, outward-oriented development strategy. Legal reforms were needed to facilitate internal market activity and to conform to international best practices prescribed by the international trade agreements. Domestic political pressure for reform, therefore, converged in large part with the reforms required in the trade agreements, creating a highly positive momentum for systematic reforms.

## **The Legal and Economic Impacts of the U.S.-Vietnam Bilateral Trade Agreement**

On December 10, 2001, the U.S. and Vietnamese governments normalized economic relations by bringing the BTA into effect. The BTA is a modern trade agreement, going far beyond traditional tariff and other border policies. The 100+-page document required that Vietnam make major reforms in many aspects of trade in goods and services, IPR protection, development of investment relations, trade facilitation, transparency, and the right to appeal administrative decisions. Throughout, the BTA

contains requirements for improving the legal and judicial systems needed to provide effective means for resolving commercial disputes and protecting property rights. In particular, the transparency and right to appeal obligations required fundamental improvements in economic governance. Laws and regulations had to be published before coming into effect, administrative and regulatory procedures had to be open, and businesses and citizens had to have the right to protest government decisions through open administrative procedures—with due process, written rulings, and, as a last resort, appeal to the courts. Most fundamentally, Vietnam’s signing of the BTA and its subsequent accession to the WTO, with their many legal requirements that are “bound” by treaty, cemented the country’s commitment to establish a stronger rules-based legal environment for commercial activity and judicial procedures.

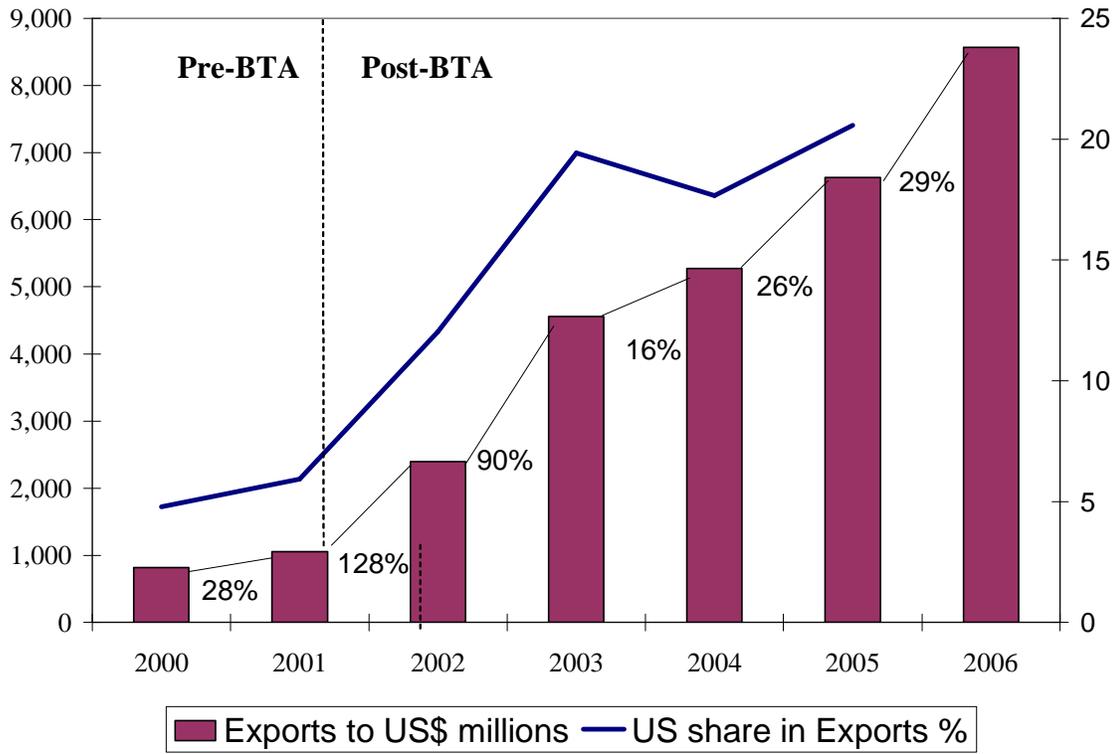
In addition to substantial changes required to bring Vietnam’s legal system in line with the needs of a market economy and international best practice, the BTA required a range of market access commitments. Although most market-access commitments were phased in over two to 11 years, Vietnam agreed to open a range of investment areas and more than 20 of its service sectors to greater U.S. competition. Tariffs had to be reduced for only approximately 250 (of more than 10,000) tariff lines, again phased in over time. These market access commitments were important, especially for banking reform, but much stronger reductions in tariff levels and market access for services were left for the multilateral WTO accession negotiations. The BTA, most fundamentally, encouraged the major legal and administrative reforms that were required to bring Vietnam in line with international best practices and, at the same time, in line with the WTO agreements. USAID/STAR was at the forefront in providing support for these core legal and administrative reforms, which laid the foundation for Vietnam’s eventual accession to the WTO.

Because the United States was a long-standing WTO member, it had to make only one significant change in policy relative to the BTA, but it was a major change. Literally overnight—the day the BTA came into effect—the United States extended NTR-MFN status to Vietnam, which lowered the average U.S. tariff rate on Vietnamese imports from around 40 percent to around 4 percent. This change effectively opened up the U.S. market to Vietnamese exports for the first time. Although many in Vietnam were pessimistic about whether they could compete in U.S. markets, the results were stunning: Vietnam increased its exports to the United States by 500 percent in just three years following the establishment of the BTA (see Figure 1).

## **VIETNAM’S ECONOMIC TRANSFORMATION**

In the first several years following the coming into force of the BTA, Vietnam’s “distorted” export structure shifted to be more in line with its neighbors (and its comparative advantage), with labor-intensive manufacturing exceeding primary exports and with the United States quickly becoming the largest market for Vietnamese exports. The rapid growth of Vietnamese exports to the United States, in particular, not only created significant numbers of jobs, but also helped Vietnamese gain confidence that, if they could be competitive in the tough U.S. market, they could be competitive anywhere. To enhance the public’s understanding of these trends, USAID/STAR worked closely with counterparts to develop several widely publicized research reports that documented the beneficial results of BTA implementation. It was striking how Vietnam had shifted—in only five years—from “export pessimism” to “export optimism” by the time WTO accession was being finalized, resulting in near universal support for WTO accession in 2006.

**Figure 1: Values (US\$ millions), Rates of Growth (percentages), and Shares in Total Exports (percentages) of Vietnam's Exports to the United States: 2000–2006**



Source: U.S. International Trade Commission, Trade Database (online: [www.usitc.gov](http://www.usitc.gov))

U.S. exports to Vietnam also grew rapidly after the BTA, increasing from US\$367 million in 2000 to US\$1.1 billion in 2006. U.S. investment in Vietnam, as well, increased strongly over the years following the BTA (as shown in Figure 3 below). The BTA, as a bilateral treaty, clearly stimulated bilateral trade and investment relations between the two countries.

## II. USAID/STAR'S MODUS OPERANDI

At the beginning of the project, USAID and the Vietnamese government established STAR's operational modalities. An innovative Government Steering Committee chaired by a Vice Chairman in the Office of the Government was established to supervise USAID/STAR's technical assistance.<sup>4</sup> All concerned parties agreed that USAID/STAR's technical assistance would be demand-driven—that is, USAID/STAR would respond to requests from its technical state counterparts, thus supporting their efforts to implement the BTA and accede to the WTO. USAID/STAR would support initiatives led by its counterparts, who would be ultimately responsible for the success of the activity. In this way, USAID/STAR supported those initiatives of highest priority to its counterparts, and highest priority for meeting BTA and WTO requirements.

The SC initially assigned USAID/STAR to work with 17 state counterparts, which seemed at the time quite challenging. Over the course of the next several years, however, USAID/STAR was assigned to work with up to 47 state counterparts, literally every important state institution in Vietnam involved with legislative development, policy formulation, and policy implementation related to commercial activity and judicial procedures. This expansion in counterparts reflected 1) the extensive range of state agencies responsible for making reforms to meet the broad scope of issues covered by the BTA and WTO, and 2) the credibility gained by USAID/STAR's provision of high-quality, demand-driven technical assistance, which led to an ever-expanding demand for our support.

### The Benefits of USAID/STAR's Demand-Driven Programming Process

The demand-driven process worked as follows. USAID/STAR met with its assigned technical counterparts to explore and discuss their priorities for meeting BTA/WTO requirements, and worked with them to determine how STAR's assistance could most effectively support those efforts. USAID/STAR then developed workplans, both annual and sub-annual, for submission to the SC and USAID for approval.<sup>5</sup> In parallel, our technical counterparts submitted their requests through government channels to the SC. In practice, the SC approved all requests but one, and typically the SC added to the requests and asked USAID/STAR for additional assistance.<sup>6</sup> This process provided high-level government supervision and coordination of USAID/STAR's work in an efficient way that did not over-burden senior officials or create cumbersome bureaucratic procedures. At the same time, it allowed us to work with line ministries, the courts, the National Assembly, and so on—the agencies

---

<sup>4</sup> The Government SC was established by the Prime Minister in Decision No. 71/2001/QĐ-TTg of November 1, 2001. The SC is headed by a Vice Chairman of the Office of the Government and consists of nine members who are senior officials at the Ministry of Trade, Ministry of Justice, Ministry of Planning and Investment, Ministry of Foreign Affairs, Ministry of Finance, Ministry of Culture and Information, Ministry of Science and Technology, Ministry of Public Security, and the Vietnam Chamber of Commerce and Industry.

<sup>5</sup> For assistance that was requested in between the formal workplan cycle, the SC could approve new requests for STAR technical assistance via a request letter, enhancing the ability for STAR to respond quickly to counterpart needs.

<sup>6</sup> The one request that was denied occurred because the agency in question failed to submit a request through government channels.

actually leading a reform or capacity-building effort—to respond directly and on a timely basis to support their technical needs. With equally effective USAID guidance and supervision, USAID/STAR was able to work on the frontier of a fast-moving and far-reaching process of economic and legal policy transformation.

In response to counterpart requests, USAID/STAR provided a tailored mix of technical assistance to each counterpart, depending upon their needs. The forms of USAID/STAR’s technical assistance included legal analysis and comments on often multiple drafts of laws and regulations, support for policy seminars and training workshops, development of research reports, dissemination of reference materials, development of websites, and strategically targeted local and international study missions.

## **SUPPORTING LEGAL REFORMS**

For legal reforms, USAID/STAR often provided assistance at the initial stage of report development to justify including a reform on the legislative calendar. We then could support the agency responsible for developing the initial drafts of the new law or regulation to work through basic principles, understand relevant BTA/WTO requirements and related international best practice (for example, The United Nations Commission on International Trade Law [UNCITRAL] and other model laws), and get early feedback from other key agencies and private stakeholders. As drafts of laws and regulations matured, USAID/STAR continued to support government-led drafting teams, but increasingly shifted support to National Assembly Committees that would need to review and approve the new legislation and to the Office of the Government that would review and approve Government Decrees. USAID/STAR supported carefully selected study missions with key state officials at strategic points in the legislative development process to help advance particularly high-priority reforms.

For each specific task, USAID/STAR formed internal teams around an issue/activity; each team typically included USAID/STAR resident staff (both expatriate and Vietnamese), local foreign and Vietnamese law firms, and short-term technical advisors. The teams allowed us to combine world-class international expertise with highly grounded knowledge of Vietnam’s legal, policy, institutional, and political contexts. To encourage broad-based feedback from stakeholders and government officials throughout the country, USAID/STAR supported literally hundreds of policy seminars. For major laws or regulations, seminars would typically be held in Hanoi and Ho Chi Minh City. Additional perspectives from outside the two largest cities in Vietnam would be encouraged either by holding additional seminars in other cities (which were relatively costly) or by bringing in key stakeholders or officials from the regional provinces to the seminars in Hanoi and Ho Chi Minh City.

Stimulating feedback even more broadly, USAID/STAR supported a request by Vietnam’s Chamber of Commerce and Industry (VCCI) to develop a website for publishing draft laws and regulations for public comment, with a bulletin board where such comments could be posted and discussed. The website, “vibonline,” became one of the most accessible and popular sources of public discussion on draft legislation in Vietnam.

USAID/STAR’s support was used by our counterparts to ensure that international requirements and best practices were well understood by all key parties in the legislative development process, to provide a broad range of feedback from private stakeholders and other government officials to reveal potential problems, and, eventually, to help develop the consensus needed for final passage.

## **SUPPORTING TRAINING PROGRAMS**

USAID/STAR also supported a number of training programs. Some were targeted broadly to enhance understanding of BTA and WTO principles among officials in key state agencies or business groups, while other training programs were used to develop the specific understanding needed to advance a particular legal or institutional innovation. Once a new law or regulation was promulgated, USAID/STAR supported as possible follow-up programs conducted by our counterparts to train key government officials responsible for implementing the reforms and to help private stakeholders understand the ramifications of the new laws.

In support of BTA and WTO reforms, USAID/STAR supported nearly 300 policy seminars and training workshops, ranging from large public seminars with hundred of participants to small roundtables with drafting teams or National Assembly committee members. However, USAID/STAR actually led in the organization of only a handful of these events. Rather, USAID/STAR supported the efforts of our counterparts to conduct these programs, providing funding and international expertise—almost always as part of a larger discussion among Vietnamese professionals and officials. Counterparts and USAID/STAR worked together to select experts to make presentations, and our counterparts took the lead in organizing the seminars and inviting the most appropriate participants.

Counterparts “demanded” USAID/STAR assistance because of our ability to respond on a timely basis to help them in their efforts to advance a legal reform or a training and institutional development objective. USAID/STAR’s comments and presentations provided a perspective on BTA and WTO requirements and strongly grounded them in Vietnam’s legal and political process. As a result, the perspectives of our “foreign experts” were easily understood and directly applicable to the issues facing our local counterparts and participants. Counterparts continually noted that they liked working with USAID/STAR not only because of the technical quality of our advice, but also because we provided our support in a frank, objective, and sincere manner that was directly relevant to the Vietnamese context and that was well-timed to the Vietnamese legislative development process. In most cases, USAID/STAR was able to get the right group of experts working on the right issues at the right time with the right counterpart.

## **Effectively Positioning USAID/STAR’s Technical Assistance—The “Firewall” between STAR and Official Government Processes**

The SC and USAID acknowledged from the start of the project that governments—not technical assistance teams—implement and negotiate trade agreements. A USAID-funded project providing technical assistance on trade agreements naturally runs the risk of providing advice on legal and policy reforms that may not reflect government policy objectives. To deal with this challenge, the U.S. Government (USAID, the Embassy, and USTR) and the Vietnamese government (through the Government Steering Committee) developed a “firewall” between the technical assistance team and official processes. This firewall effectively separated STAR’s “professional and objective” technical assistance from “official” government-to-government processes involved with monitoring BTA implementation and negotiating WTO accession. In all forums and modes of communication, USAID/STAR’s technical assistance was clearly noted as not representing the views of either government. Under USAID and SC leadership, USAID/STAR did report regularly on its technical activities to both U.S. and Vietnamese government officials, and all USAID/STAR activities were approved by USAID and the SC. Given the intensive involvement by the STAR team with almost every key reform of interest to the two governments, these review sessions provided a useful

“informal” way for government authorities on both sides to keep track of the many and diverse stages of legal and policy reform related to the BTA and WTO, and provided important feedback to the STAR team on evolving “official” priorities.

## **Managing High Demand for USAID/STAR’s Technical Assistance**

From the end of our first year of operation, requests for our technical assistance began to exceed our capacity to respond. USAID reacted strongly in our second year of operations to increase STAR’s budget by around 50 percent, which allowed USAID/STAR to expand resident staff capabilities and to have more programming funds to support counterpart activities.

With the rush in 2005 and 2006 to accelerate the many reforms needed to meet WTO accession deadlines, demand for USAID/STAR’s technical assistance surged even further. At that time, our SC directed that we focus on supporting the many and major legal reforms needed for WTO accession, but also included requests for major training programs and the development of a series of milestone research reports on the five-year impact of the BTA. Although by this time USAID/STAR had developed quite efficient working relationships with our counterparts, which allowed us often to support three to five workshops a week on different topics and in different locations (Hanoi, Ho Chi Minh City, and sometimes other cities), we were particularly pushed to provide a flow of timely and high-quality legal comments and advice on multiple drafts of many different and complicated laws.

USAID/STAR’s success led to its biggest challenge—managing persistent excess demand for our technical assistance resulting from a steady inflow of new requests for technical assistance that came in addition to ongoing program activities that remained in effect. Each period, USAID/STAR received new requests for substantial technical assistance from our counterparts. Given the nature of USAID/STAR’s systematic support for reforms and capacity building, however, “old” requests often required years to carry out. For example, developing a major law—for example, the new Law on Intellectual Property Rights—takes several years at least from the initial conceptualization stage to National Assembly approval. Follow-up training and public education to support the effective enforcement of the new law might take several years more. Thus, USAID/STAR continued to provide intensive support to carry out “old” requests while “new” requests required that we initiate additional systematic assistance efforts. Similar considerations held for high-priority training projects; for example, building the capacity of judges to handle IPR and administrative disputes cases required sustained attention over a number of years. The team also expended continuous efforts for substantial periods of time on the development of seminal research reports and, where nationwide surveys needed to be conducted, collection of new data, completion of analysis, and presentation of writing.

### **PRIORITIZING DEMAND IN THE VIETNAMESE CONTEXT**

To handle this challenge, under the guidance of USAID and our SC, USAID/STAR made decisions as to which laws should receive priority and which should be supported less intensively. USAID/STAR provided technical assistance on almost every major legislative initiative related to the BTA and WTO. Nevertheless, we spent more time on some legal reforms than others. Where draft laws or regulations diverged significantly from BTA/WTO requirements, or where wording changed substantially from draft to draft, USAID/STAR had to make major adjustments to our legal comments over the course of the development and approval of the law and had to participate in numerous meetings and workshops. These cases required concerted effort by STAR experts, often over a period

of one or two years. For many other laws whose drafts were more in line with international best practice, developing USAID/STAR's legal comments required less analytical effort. For these, after we provided our initial substantive advice and subsequent adjustments were made by our counterparts, USAID/STAR's assistance focused mainly on helping counterparts develop consensus among state officials and stakeholders to shape strong final drafts for approval. This required support for and participation in many workshops, but relatively less time was required to prepare new versions of legal comments.

Again under the guidance of our SC and USAID, USAID/STAR developed programming procedures with our counterparts to work within the Vietnamese context as fully as possible. Seminars were held in venues typically used for regular government meetings—counterpart conference rooms and two- to three-star hotels.<sup>7</sup> This helped to reduce costs and established STAR-supported programs as “normal” state agency meetings, which encouraged frank and active participant discussion. Counterparts led program organization, a counterpart chaired the sessions with a USAID/STAR leader, and counterparts often provided co-financing.

### **COORDINATING WITH DONORS AND USG AGENCIES**

Working through USAID leadership, it was possible for USAID/STAR to augment considerably the resources available for its programs by coordinating efforts with other U.S. Government sources and donors. USAID/STAR's strong working relationships with our state counterparts, and our well-positioned engagement on reform issues, made it productive for other U.S. Government and donor activities to contribute resources as part of USAID/STAR activities. Our counterparts gained not only added resources, but often quite useful perspectives and advice from our partners. As explained in more detail below, two of our most successful partnerships focused on 1) developing a stronger legal and institutional framework for security markets in collaboration with a USAID-funded program with the U.S. Securities and Exchange Program and 2) providing training on IPR issues, especially for judges and prosecutors, via a U.S. Patent and Trademark Office program, a USAID-RDMA legal development program in Thailand, and a Danish International Development Agency (Danida) program.

USAID/STAR did not provide major technical assistance on several important issues. For sanitary and phytosanitary (SPS) issues, substantial legal reform was not required for WTO accession. In addition, a number of other donors (World Bank, Australia, Danida, European Union) provided assistance on longer-term strategies for improving the effectiveness of Vietnam's SPS procedures. Once the U.S.-Vietnam bilateral negotiations were completed for WTO accession, under USAID guidance, USAID/STAR did support Ministry of Agriculture and Rural Development (MARD) officials' travel to the United States for a major U.S. Department of Agriculture (USDA) training program (the Cochran Program) on SPS issues. On a related issue, at the request of MARD, the Secretariat of the International Union for the Protection of New Varieties of Plants (UPOV) took the lead in providing technical assistance on the legal and institutional reforms required for accession to the UPOV Convention, but USAID/STAR stood ready to provide supplemental technical assistance if needed (it was not needed, and Vietnam successfully acceded to UPOV in 2006). USAID/STAR did support airline tickets for a USDA/Cochran training program on plant variety protection procedures.

---

<sup>7</sup> Donor-supported programs in Vietnam are more typically held in more expensive, five-star venues.

In both of these cases, the USDA funded all the domestic costs for these 2 to 3 week programs. USAID/STAR was not asked to provide assistance for several other important legal reforms, including revisions to the Land Law; the development of new laws on anticorruption, competition, and bankruptcy; and changes in various tax laws.

## **MEETING COMMUNICATIONS AND REPORTING REQUIREMENTS**

Given the huge amount of activity supported by USAID/STAR, particularly in 2005 and 2006, it was also a constant struggle to provide current reports to our supervisors on specific program activities. Although USAID/STAR was almost always timely in its technical assistance to its many technical counterparts, it became difficult to report in depth on many of those activities. As part of regular U.S. Embassy procedures in 2005 and 2006, USAID/STAR was tasked by USAID to provide a biweekly report on activities. This kept USAID and the Embassy informed of USAID/STAR's work, and, implicitly, given STAR's integral involvement in Vietnam's reform efforts, kept them informed of our Vietnamese counterparts' progress in making the reforms needed for the BTA and WTO. In 2006, USAID/STAR also began to provide a similar report to our SC. For particularly important activities, USAID/STAR provided more detailed reports by email or orally to USAID and the SC. USAID/STAR kept a record of all of its detailed technical assistance work in hard copy and on our computer server. We developed a relatively simple program to organize our work on a CD-Rom, which was submitted as part of our close-out report.

In line with our demand-driven mandate, USAID/STAR completed major annual workplans for our SC and USAID that documented in detail all programming activity conducted over the subsequent period, any management or administrative issues of concern, and presented new requests for technical assistance from our counterparts. Forty copies (in both Vietnamese and English) of each workplan had to be submitted to our SC for distribution to relevant counterparts, and the workplan was reviewed shortly thereafter in a meeting of SC members and related Vietnamese counterparts. Following each meeting, our SC provided an "official" written note with approvals for new requests and with any other relevant guidance. The same workplans were submitted to USAID for approval.

At the request of our SC and USAID, we also provided mid-term workplans every year except for 2006. In 2006, the rush to meet WTO deadlines consumed our counterparts, and USAID/STAR, to such a degree that USAID/STAR was not requested to provide a midterm workplan. As noted above, however, from July 2005 USAID/STAR provided detailed biweekly reports on program activity to USAID and did the same for much of 2006 to our SC.

## **Managing USAID/STAR's Public Profile**

STAR and our USAID managers faced the issue of how to manage our profile. STAR worked on many reforms that could have raised political sensitivities in Vietnam and, in some cases, the United States as well. From the beginning, USAID and STAR took the stance that governments, not technical assistance programs, implement trade agreements.

Under USAID leadership, STAR worked hard to coordinate carefully with both governments to ensure that our technical assistance supported each government's efforts to advance and monitor BTA implementation and the negotiations for WTO accession. STAR rarely spoke to Vietnamese or U.S. negotiators, and took guidance from USAID when we did so. Among the Vietnamese, we focused our efforts on the legal and policy departments of state agencies responsible for making the reforms

needed to meet BTA and WTO requirements, not on the international departments involved with negotiations.

To keep STAR from getting “out in front of” both governments’ implementers and negotiators, and under USAID’s guidance, we sought to take a relatively low profile. We did not set up a webpage; we did not initiate contacts with the press; and we kept our legal comments confidential to our Vietnamese clients, only distributing them more broadly when given approval by our counterparts and USAID. On the other hand, there was a desire by USAID and the Embassy to promote the good work of a U.S. Government activity, and over time, the Vietnamese Steering Committee also found it useful to promote USAID/STAR’s activities more publicly. In the end, a good balance was developed: with minimal self-promotion, USAID/STAR became well known in Vietnam and among U.S. Government agencies and businesses, primarily through its many substantive activities and recognition of its useful contributions by both governments, and by private stakeholders. USAID/STAR, for example, was asked at least once a year by both the Hanoi and Ho Chi Minh City AMCHAMS to make presentations on our on-going activities, and was asked commonly by USAID to provide briefings for visiting U.S. delegations. The Vietnamese press initiated interviews and prepared articles on STAR activities. Our technical counterparts prepared reports on STAR-supported activities to their leaders. STAR’s USAID managers in Hanoi took the lead in promoting USAID/STAR’s work in the Embassy in Vietnam, in the Regional Development Mission-Asia (RDMA)/Bangkok, and back to Washington.

## **The USAID/STAR Team**

USAID/STAR’s original technical assistance team began with two expatriates (Steve Parker, Project Director and Senior Economic Advisor, and Hank Baker, Senior Legal Advisor) and four Vietnamese professional and administrative staff, with the expectation that short-term advisors and our subcontract with Baker & McKenzie would be sufficient to handle many of the diverse legal reforms required for BTA/WTO implementation. This initial team developed the unique demand-driven process with USAID and SC support. In 2002, our technical assistance focused on the initial legal reforms needed to meet requirements that were due upon entry into force of the BTA and on conducting training programs for counterpart agencies to develop a general understanding of BTA requirements among key government officials and business leaders. However, it quickly became apparent to USAID that a larger resident team of experts was needed to respond effectively to the ever-increasing demand for USAID/STAR technical assistance—new requests that increasingly covered a wide-range of complex and highly technical issues. Supported by a 50 percent increase in funding by USAID, STAR expanded its resident team by its second year and its access to short-term experts and supporting subcontractors.

STAR’s full team was in place by the end of 2002, just as Vietnam began to push forward a number of the most important BTA-related reforms. The resident team was expanded to include four expatriate advisors (one economist and three lawyers), six and a half Vietnamese experts (four and a half lawyers and two MBAs), two full-time translators, and an office manager and an office administrator. Our resident team was augmented by an expanded subcontract with the Baker & McKenzie Law Firm and two local law firms that contributed to USAID/STAR on an ongoing basis, and a strengthened group of international short-term experts. Our short-term advisors, most of whom had previous experience in Vietnam, worked with USAID/STAR regularly over a number of years and maintained a consistent voice and good communication with established counterparts. They

contributed to USAID/STAR's technical assistance both during trips to Vietnam and from their homes via internet on an on-call basis in line with counterpart needs. Our full team combined expatriate and Vietnamese staff with strong technical expertise in both international best practice and Vietnamese law and institutions, and strong motivation to make a difference. Unlike most other donors in Vietnam, USAID made the decision to invest in a robust resident USAID/STAR team in Vietnam, elevating its status above other donor programs. With a strong team on the ground, USAID/STAR had the capability to operationalize its demand-driven mandate to respond to the needs of our Vietnamese clients by providing timely, ongoing, and systematic technical assistance.

Our Project Director, Steve Parker, brought to USAID/STAR more than 20 years of experience working on trade policy issues with both U.S. and Asian governments and policy communities, including work in Vietnam in the 1990s on processes of internationalization, particularly related to the WTO, the BTA, and the Asia-Pacific Economic Cooperation Forum. John Bentley, with more than 30 years experience in legal development, served as USAID/STAR's Chief Legal Advisor. Mr. Bentley had worked in Vietnam for almost 10 years as a legal advisor to the Ministry of Justice, one of the few foreigners asked to work in an office inside a government ministry over this period. He is widely viewed as a top expert on legal development in Vietnam and had established working relationships with many senior Vietnamese legal officials. Given the importance of IPR to U.S. trade policy and to implementation of the BTA and WTO, USAID/STAR dedicated one expatriate lawyer, Hank Baker, to focus on the legal reforms and institutional capacities needed to improve the enforcement of IPR protection in Vietnam. Mr. Baker played a leading role in USAID/STAR's technical assistance to improve Vietnam's IPR law, its court procedures, and to carry out major training efforts for judges and prosecutors. Complementing Mr. Baker's specialization on IPR issues, Helle Weeke served as STAR's resident trade and commercial law advisor. She led efforts to ensure that Vietnam's laws and regulations on trade remedies, trade and distribution licensing, commercial affairs, and standards and technical regulation conformed to BTA/WTO requirements.

### **THE STAR CONSORTIUM AND NETWORK OF INTERNATIONAL EXPERTS**

STAR's consortium included the Baker & McKenzie, Vietnam law firm, the largest foreign law firm in Vietnam and one of the largest in the world. Led by B&M Managing Director Fred Burke, one of the first foreign lawyers to set up a commercial practice in Vietnam in the early 1990s and with ten years further experience practicing law in China, Baker & McKenzie's provided USAID/STAR with a broad base of technical and highly practical expertise, both in-country and through its global network. As well, B&M greatly augmented USAID/STAR's capability to provide technical assistance on many legal issues where our resident team did not have specific expertise.

Furthermore, USAID/STAR developed a network of world-class short-term technical advisors with specialized expertise on key BTA and WTO issues, almost all of whom had proven experience working in Vietnam and established relationships with many of our counterparts. These experts included James Riedel, Professor of International Economics at the Johns Hopkins School of Advanced International Studies, with experience providing advice on economic reform issues in Vietnam since 1991; John Davis, a lawyer at YKVN law firm in Hanoi, with a strong background in Vietnamese law and 10 years of experience working in Vietnam; Claude Rohwer, Professor of Law and former dean at the McGeorge School of Law at Pacific University, with 10 years of experience providing advice on commercial law issues in Vietnam; Phillip Wellons, Professor of Law at Harvard Law School, with experience providing advice on financial market law and regulation in Vietnam

since the mid-1990s; Virginia Wise, Professor of Legal Information at Harvard Law School, with experience providing advice on legal transparency in Vietnam since the mid-1990s; Edwin Felter, Chief Judge at the Administrative Court of Colorado and former head of the U.S. American Bar Association panel on administrative law; and Daniel Roseman, former head negotiator for Canada on the WTO telecommunication agreements.

Several leading legal experts worked with USAID/STAR on a pro bono basis, including Ed Sherman, Dean of the Tulane Law School, and Frederick Rodgers, Colorado County Judge, both recognized experts on court procedures. The American Bar Association provided much appreciated assistance to help us find Professor Sherman, Judge Rodgers, and Judge Felter. Through the U.S.-PTO but on a pro bono basis, Judge Randall Rader of the Circuit Court of Appeals in Washington and Judge Bernice Donald from the 6<sup>th</sup> District Court in Memphis participated in several major training programs with Vietnamese judges and prosecutors. Under the strong leadership of USAID/Hanoi, other experts worked as integral parts of USAID/STAR's technical teams on specific activities, but were funded by other USAID projects. Luc Noiset, Professor of Economics at Georgia State University and an expert on public finance and revenue projection procedures, was provided by the Washington-based, USAID-funded Fiscal Reform in Support of Trade Liberalization project to work with USAID/STAR and the National Assembly's Committee on Economics and Budgetary Affairs to develop models to estimate revenue lost from tariff cuts and to evaluate possible fiscal reforms to offset those losses. Paula Bruening, Staff Counsel for The Center for Democracy and Technology in Washington, D.C. and an expert on the legal framework for electronic commerce and governance, was provided by the Washington-based, USAID-funded project "dot.gov" to work with USAID/STAR and the National Assembly's Committee on Science and Technology to develop a new Law on Electronic Transactions. Robert Strahota, recently retired Deputy Director of the International Department of the U.S. Securities and Exchange Commission and a top expert on capital market development, was provided by a Washington-based, USAID-funded program with the U.S. Securities and Exchange Commission to work with USAID/STAR and the State Securities Commission to develop a new Securities Law and to provide institutional development training.

The USAID/STAR consortium also included Samuels International Associates (SIA, a small business) and USVTC. Michael Samuels, President of SIA, former U.S. Ambassador to the General Agreement on Tariffs and Trade in Geneva and an advisor to Vietnam on trade issues since 1992, provided important technical assistance on BTA and WTO issues throughout the project's tenure.

The USVTC has worked in Washington and Vietnam since the late 1980s to support stronger U.S.-Vietnam relations, and, in particular, stronger economic relations. During the first three years of STAR's operation, the USVTC received a cooperative grant from USAID to provide technical assistance and conduct study missions for government officials, with STAR and the USVTC coordinating efforts under the guidance of USAID. Over the final two years of the project, USVTC was brought in as a subcontractor for STAR. Throughout the five years, the USVTC organized a number of successful study missions for Vietnamese policy makers, largely to the United States. These missions provided valuable insights and exposure to Vietnamese leaders on the international (and U.S.) best practices related to important pending legal and policy reforms. They also encouraged engagement and dialogue between leading Vietnamese and U.S. officials on ongoing reform efforts, and strengthened working relationships between STAR staff and their Vietnamese counterparts.

## **TALENTED AND MOTIVATED LOCAL STAFF AND TECHNICAL EXPERTS**

Critically, STAR attracted a top-notch group of Vietnamese staff, led by Deputy Project Director Phan Vinh Quang and Senior Lawyer Phan Cam Tu. Mr. Quang, who had previously helped to lead the International Finance Corporation's successful Vietnam Business Forum, played a key role in managing STAR's relationships with our Steering Committee and many other state counterparts, developing our legal and economic analysis, and overseeing our administrative and financial systems. Nguyen Van Duyen, who served for a year and a half as STAR's initial Deputy Project Director, effectively helped to develop and carry out STAR's initial program activities. Ms. Tu contributed in many different ways to build STAR's capacities and credibility from its beginning, playing a lead role in our extensive work on IPR law, training for judges and prosecutors, and improving transparency. Ms. Do Hoang Anh (STAR's policy and training coordinator) played an important role in STAR's work on financial markets, telecommunications, and economic analysis. STAR's legal advisors, Bui Hong Vien and Nguyen Quang Hung, played a key role in STAR's programs on the Civil Code, court procedures, and administrative reforms. Ms. Do Hoang Anh (STAR's legal advisor) and Ms. Tran Huong Giang started working for STAR in our last two years and played substantial roles in STAR's work on electronic transactions, enterprise and investment laws, standards and technical regulations, and our report on the impact of the BTA on Vietnam's legal system. Nong Quoc Binh, a Professor at Hanoi Law School, worked part-time for STAR to manage our overall programming efforts with the Supreme People's Court and Supreme People's Procuracy. Each of our professional Vietnamese staff played a crucial role in supporting STAR's substantive analysis, and took the lead in managing relationships with counterparts and organizing program activities.

STAR's administrative staff contributed vitally to back up STAR's quite active programming agenda, ensuring that materials were translated in time, that financial and accounting procedures were carefully applied, that seminars and reference materials were facilitated, and that the office ran effectively. Ms. Mai Thi Kim Loan served most competently from the start of the project to develop and administer our financial systems. She worked closely with STAR's home offices to create systems that were in full compliance with USAID and home office regulations, and with our Vietnamese counterparts to ensure that all STAR funds were used and accounted for appropriately, and that reimbursements were done on a timely basis. And she successfully led negotiations with the Hanoi Tax Department for the reimbursement of over \$100,000 in value-added tax payments to USAID. Three highly competent legal translators worked for STAR over the course of the project—Mr. Nguyen Duy Minh, Ms. Nguyen Kim Thanh and Ms. Hoang Kim Thoa. Our translators performed a critical function, often under tight deadlines in order to meet counterpart needs—almost every Vietnamese document had to be translated to English to facilitate STAR's legal analysis, and almost all STAR documents had to be translated from English to Vietnamese. This required a huge amount of high-quality translation—STAR's written comments and reports would not have been effective without first-class translation. Ms. Trinh Kieu Trang served as STAR's Office Administrator, playing a useful supporting role for many STAR programs and helping greatly in the day-to-day operation of office.

From the start of the project, Nguyen Phan Toan, Managing Director of the Vietnamese Law Firm Leadco, provided technical assistance on legal development through a subcontract. Mr. Toan played an invaluable role in helping STAR gain access to senior state officials for consultations and program development, and worked as an integral part of STAR teams to develop substantive legal analysis on a number of important issues.

Over STAR's more than five years of operation, staff turnover was minimal, and production and commitment by the local staff were high. One of the most important contributing factors to STAR's success was the ability of STAR's Vietnamese staff to nurture and facilitate counterpart relationships, to provide strong expertise on Vietnamese legal and economic issues, and to manage an extremely active program agenda in full compliance with Vietnamese law and USAID regulations. STAR's Vietnamese staff were empowered with major responsibility, and worked as peers with our expatriate staff. As a testimony to the quality of STAR's Vietnamese staff, a number of managing directors of foreign law firms in Vietnam have commented that STAR may have the best Vietnamese legal team in the country.

## An Overview of USAID/STAR's Far-Reaching Results

USAID/STAR's technical assistance can be grouped into three categories:

- **Changing the letter of the law**—supporting legal and regulatory reforms 1) to advance implementation of the BTA and accession to WTO, and 2) to modernize Vietnam's internal legal and judicial systems;
- **Improving the implementation and enforcement of the law**—developing the capacity and knowledge of state officials and businesses to implement effectively the many reforms; and
- **Evaluating the impact of the reforms**—preparing research reports on the impact of the BTA and WTO on Vietnam, and raising awareness about the BTA and WTO.

### LEGAL REFORMS—CHANGING THE LETTER OF THE LAW

From the beginning of USAID/STAR, technical assistance focused on helping our Vietnamese State counterparts make the legal and administrative changes needed to conform to BTA and WTO requirements. As the project evolved, USAID/STAR also was asked to provide technical assistance on a number of major legal reforms that were not required specifically by the BTA and WTO, but that were needed to underpin a market economy with a growing private sector—enabling both Vietnamese and U.S. firms to take full advantage of the trade agreements. With this broad mandate, USAID/STAR supported both compliance to the BTA and WTO and the systematic development of a market-oriented commercial law system for Vietnam.

The BTA recognized Vietnam as a developing country, allowing a number of legal reforms and market access commitments to be phased in over several years. Nevertheless, Vietnam was required by the BTA to make a number of legal and administrative reforms by the date of the agreement's coming into effect on December 10, 2001. Vietnam's BTA implementation process, however, did not start in earnest until it actually came into effect: thus, Vietnam fell behind almost immediately in meeting a number of BTA obligations. Our SC and USAID directed STAR to focus attention in our first several years on meeting the requirements due upon entry into force and the other BTA obligations due over its first two years of operation (by December 10, 2003).

For a number of these initial legal reforms, draft laws had been developed but were not moving forward on schedule for approval. USAID/STAR's technical assistance, in these cases, focused on clarifying and helping counterparts understand BTA/WTO requirements, and helping to revise existing draft laws and regulations to meet those requirements. USAID/STAR technical assistance

built upon the urgency and technical focus introduced by the BTA to advance drafts more rapidly toward final approval.

**From 2002 to 2004, USAID/STAR supported reforms included:**

- Liberalized legal services and banking services in line with BTA requirements;
- Greatly enhanced transparency in law and rule making in line with BTA/WTO requirements;
- A new regime for commercial arbitration in line with BTA requirements;
- A new decree on foreign investment to relax restrictions on foreign investment in line with BTA requirements;
- New trade remedy procedures and nondiscrimination (MFN/NA and elimination of dual pricing) rules in line with WTO requirements; and
- A new regime for customs valuation based on transaction valuations in line with BTA/WTO requirements.

The successful implementation of the first stages of the BTA provided a strong foundation for advancing negotiations for WTO accession. As a result, there was a subsequent “accelerated” push in 2005 and 2006 to complete a large number of major legal reforms to meet WTO (and in almost every case BTA) requirements. Most of these major and highly technical reforms were developed and drafted over just a year or two, placing considerable stress on the legislative system and, thus, on USAID/STAR.

**In 2005 and 2006, USAID/STAR supported reforms included:**

- The first comprehensive legal framework to protect IPR;
- The first modern civil procedure code to make the courts more independent and effective, and to meet key court procedure requirements for IPR enforcement in Chapter II of the BTA and in the WTO Trade-Related Aspects of Intellectual Property Rights (TRIPs) Agreement;
- A new legal platform for domestic and foreign enterprises/investors, creating a level playing field among state, private and foreign firms, and meeting important investment, company law and market access requirements for investors and service providers in the BTA and the WTO’s Trade-Related Investment Measures (TRIMs) Agreement;
- The first comprehensive securities law to create a strong legal foundation for developing capital markets;
- New rules to enable the judicial review of government/administrative decisions, as required in Chapter VI “right to appeal” requirements in the BTA and in many WTO agreements;
- A new legal framework for enforcing treaties, which was used to approve the WTO Accession Protocol;
- A new legal framework for standards and technical regulations, in line with technical barriers to trade requirements in the BTA and WTO;

- A new legal framework for contract law, property law, financial transactions (negotiable instruments), and electronic commerce and governance, all critical to establishing the well-working market economy needed for greater economic integration; and
- A systematic, BTA/WTO-consistent legal system for customs operations, including requirements for post-clearance audits and IPR protection at the border.

Table 1 summarizes a number of the most important legal reforms completed by Vietnam with USAID/STAR support from 2002 to 2006, resulting in a comprehensive re-writing and deepening of their legal framework for commercial activity and judicial procedures.<sup>8</sup>

<b>Five Years Ago</b>	<b>Current Status/Progress</b>	<b>Legal/Institutional Change with USAID/STAR's Support</b>
Custom valuation based on administrative prices	Custom valuation based on transaction values	Laws on Customs and Export-Import Duties and implementing regulations
Not all laws and regulations were published, either at the national or local levels	Laws and regulations are published 15 days before entry into force at the national level, with publication or posting required at the provincial and local levels	Law on the Promulgation of Legal Normative Documents (Law on Laws); and the Law on Local Laws
Draft laws and regulations were not published	Many draft laws and regulations are published at <a href="http://www.vibonline.com.vn">www.vibonline.com.vn</a>	Development of vibonline forum with the Vietnam Chamber of Commerce and Industry
Court decisions were not published	Some court decisions have been published	Publication of court decisions by the Supreme People's Court
IPR regulations were incomplete and ineffective	First comprehensive IPR Law is in place	Law on IPR
Not a member of International Union for the Protection of New Varieties of Plants (UPOV), Brussels or Berne Conventions	Now a member of UPOV, Brussels and Berne	Law on IPR Ordinance on Seeds
Different regimes for different types of investment	Common investment and enterprise laws for all types of investment	Law on Investment and Law on Enterprises
Court procedures were outdated	Modern court procedures adopted, including the use of emergency measures	Civil Procedure Code
Final administrative decisions not appealable to the court	Final administrative decision now appealable at all stages to the court	Law on Complaints and Denunciations
Ineffective regulation on commercial arbitration	Arbitration rules modeled on the UNCITRAL Model Law	Ordinance on Commercial Arbitration
Many restrictions on foreign participation in services	Fewer restrictions on foreign participation in services, including for legal, banking, and insurance services	Law on Lawyers, Law on Credit Institutions, Law on Investment

<sup>8</sup> STAR was asked to review by the National Assembly, but was not involved in the drafting of, the Bankruptcy Law and the Competition Law.

Five Years Ago	Current Status/Progress	Legal/Institutional Change with USAID/STAR's Support
Local content and other investment performance requirements were inconsistent with TRIMs	All TRIMs have been eliminated	Law on Investment
Contract regulations outdated and dispersed among inconsistent laws	Contract law modernized, and made systematic and consistent	Civil Code, Commercial Law, eliminated Ordinance on Economic Contracts
Electronic communications were not effectively covered by law	A legal basis was provided for e-commerce and e-government	Law on Electronic Transactions
Standards and technical regulations incomplete and processes opaque	Procedures for voluntary product standards and mandatory technical regulations transparent, participatory, and in line with international standards	Law on Standards and Technical Regulations, Law on Quality of Goods
Weak securities regulations unable to support major growth in capital markets	Securities regulations consolidated, modernized, and systematized into one law	Securities Law
Trade-remedy and non-discrimination regulations non-existent	New regulations on trade remedies and MFN/national treatment were developed, and dual pricing between foreign and domestic goods and services were eliminated, all in compliance with BTA/WTO agreements	Ordinance on Anti-Dumping, Ordinance on Countervailing Duties Ordinance on Most-Favored-Nation and National Treatment Various regulations on dual pricing
Use of basic financial instruments such as bills of exchange limited because of poor regulations	Regulations in line with international best practice established for bills of exchange and promissory notes, which further facilitates the use of letters of credit	Law on Negotiable Instruments
It was difficult to secure movable assets as collateral	An improved legal framework for secured transactions was put in place	Civil Code, Decree on Secured Transactions
Implementation of treaties into domestic law not clear	Clear procedures for implementing treaty requirements into domestic law in place, used to ratify the WTO Accession Protocol with an attached omnibus law to make final adjustments to several laws at once	Law on Treaties

### **CAPACITY BUILDING—IMPROVING IMPLEMENTATION AND ENFORCEMENT OF THE LAW**

Demands by counterparts to support numerous reforms, combined with resource constraints, required that STAR—under SC and USAID guidance—be particularly strategic in conducting inherently expensive capacity-building efforts. Over the first two years of the project, USAID/STAR focused on carrying out extensive training programs on BTA requirements and the WTO for a wide range of key government officials and business leaders. At the start of BTA implementation in 2002, aside from the negotiators of the BTA, few Vietnamese understood the highly technical requirements in the BTA or the international best practices that underpinned much of the BTA and WTO. At the request of key counterparts, USAID/STAR supported two- to five-day training programs covering key areas of the BTA and WTO for several thousand senior and mid-level staff in the Office of the Government, the Ministry of Justice, the Supreme People's Court, the Ministry of Foreign Affairs, the National

Assembly, provincial People's Committees, and IPR enforcement agencies. More than a thousand business leaders were trained as well on basic BTA principles. So that officials from throughout the country would benefit, these were typically conducted as regional training sessions in Hanoi for national government and northern provincial officials, and Ho Chi Minh City for central and southern provincial officials. Training programs for business leaders and local government officials were held in six locations throughout the country. We also provided relevant reference materials to all participants, and in many cases mailed supplemental reference materials to provincial agencies, including distributing almost 10,000 copies of the BTA published in the *Official Gazette*.

By 2005, as the pace of legal reforms to comply with BTA and WTO requirements escalated, USAID/STAR's capacity building had to be scaled down. The SC asked that USAID/STAR focus in 2005 and 2006 on supporting the legal reforms required for WTO accession. Nevertheless, USAID/STAR was still able to support a number of training programs with counterparts that were aimed at improving the implementation of recently approved laws and regulations. For example, training and public education programs were conducted with the Ministry of Justice and Vietnam Lawyers Association on the new Ordinance on Commercial Arbitration; with the Supreme People's Court on both the new Civil Procedure Code and the new Ordinance on Settling Administrative Cases; with the Office of the Government on implementing revisions to the Law on Laws and the new Law on Local Laws, particularly with regard to upgrading the *Official Gazette*; and with IPR enforcement agencies, at both the national level and with the Hanoi and Ho Chi Minh City's Peoples Committees, on the new IPR Law.

Throughout the project, based on guidance from the SC and USAID, USAID/STAR gave a high priority to supporting training for judges, and over the last year of the project, prosecutors, especially with regard to IPR issues. The BTA and WTO agreements on IPR presume that courts provide an important venue by which IPR holders can protect their interests through civil cases, and can work with authorities to prosecute criminal infringement cases. Under the guidance of USAID, and with strong and cooperative support from the U.S. Patent and Trade Office, the U.S. Department of Justice (as well as from a Danida project), and a USAID-funded legal development program in Thailand, USAID/STAR provided intensive training for almost 1,000 judges and prosecutors over five years, with a focus on a smaller cohort of judges who are now gaining considerable expertise in IPR cases. In addition to the training, USAID/STAR distributed reference materials on BTA and WTO issues (especially IPR-related) to courts throughout every province in Vietnam.

**Strong Coordination with U.S. Government Agencies Leveraged Funds and Expertise.** In the last two years of USAID/STAR, the USAID Office in Hanoi developed relationships with the U.S. Securities and Exchange Commission, the U.S. Federal Trade Commission, and the U.S. Department of Treasury. The USAID/STAR Cognizant Technical Officer, David Brunell, was able to leverage USAID/STAR's limited resources by obtaining funding from USAID's Bureau for Economic Growth, Agriculture and Trade to conduct coordinated programs with the U.S. Securities and Exchange Commission to build the capacity of Vietnam's State Securities Commission. The lead technical support for the development of Vietnam's Securities Law was provided by U.S. Securities and Exchange Commission expert Robert Strahota. Under Brunell's leadership, USAID/STAR cooperated closely with U.S. Securities and Exchange Commission experts (led by Scott Birdwell) to conduct a number of capacity-building programs for the State Securities Commission. Similarly, the RDMA/Bangkok Office's regional program with the U.S. Federal Trade Commission provided useful

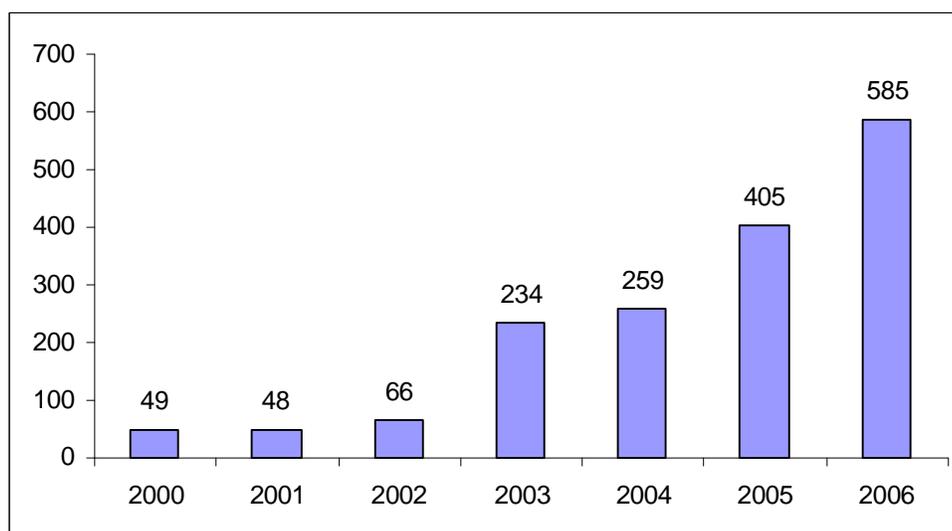
technical assistance in developing and implementing a new Competition Law. U.S. Treasury technical assistance to the Ministry of Finance is just beginning in 2007.

Under USAID guidance, USAID/STAR cooperated with the U.S. Department of Agriculture to support 10 key experts from the Ministry of Agriculture and Rural Development to participate in two- to three-week Cochran Training programs on plant variety protection, and sanitary and phytosanitary issues. For these, the U.S. Department of Agriculture organized and funded the U.S.-based activities, and USAID/STAR supported airfares for Vietnamese officials.

USAID/STAR supported the Supreme People's Court to publish court decisions by the Supreme Judicial Council. This was the first-ever publication of court decisions in Vietnam. USAID/STAR also laid the groundwork for establishing the first webpage for the Supreme People's Court, which will be further developed by USAID/STAR 2. USAID/STAR worked with the VCCI to develop an innovative webpage ("vibonline") where draft laws and regulations are posted for public comment and resulting comments are posted on a bulletin board to stimulate debate. Building upon initial seed funding and technical assistance from USAID/STAR, the VCCI now operates "vibonline" independently. This site has proven to be one of the most popular and most accessible ways for businesses and the public to review and comment on draft legislation, an important requirement of the BTA and WTO. USAID/STAR also supported the initial conceptualization of a Pilot Electronic Official Gazette, which will be fully implemented by USAID/STAR 2. This will lead to the first "official" electronic publication of promulgated as well as draft laws and regulations in Vietnam, first at the national level and then at provincial levels—fulfilling a WTO accession requirement.

**Transparency of the Vietnamese Legal System Improved Substantially.** One of the most profound results of a policy change supported by USAID/STAR has been the remarkable advance in the transparency of Vietnam's legal system over the last five years. Most strikingly, following the crucial amendment to the Law on Laws in 2002, publication of laws and regulations in the *Official Gazette* has skyrocketed from an average of 4 issues per month in 2002, to almost 20 issues per month in 2003, to nearly 50 issues per month in 2006, a more than 1,000 percent increase (see Figure 2). Following the promulgation of the new Law on Local Laws, 52 out of 64 provinces in Vietnam have now issued local official gazettes, which publish regulations promulgated at provincial and district levels. Not only did USAID/STAR support the initial legal reforms, but we also supported the Office of the Government to organize numerous training workshops and provincial diagnostic study missions to advance the effective implementation of these reforms. Enhancing legal transparency was a major, ongoing priority for USAID/STAR throughout the project.

**FIGURE 2: OFFICIAL GAZETTE ISSUES PUBLISHED ANNUALLY**



Source: Official Gazette Unit, Office of the Government

### **RESEARCH AND EVALUATION OF THE ECONOMIC AND LEGAL IMPACTS OF THE BTA**

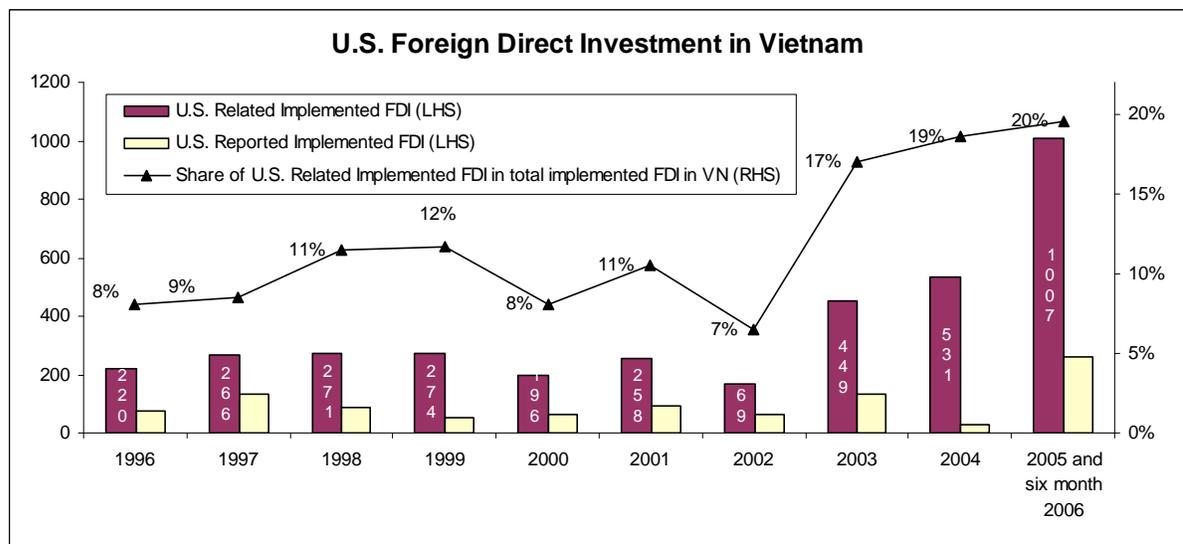
Under SC and USAID guidance, a key objective of STAR was to develop research reports to enhance the understanding of state officials and the general public of the impact of the BTA on Vietnam. USAID/STAR worked closely with the Ministry of Planning and Investment's (MPI) Central Institute for Economic Management (CIEM) and Foreign Investment Agency (FIA) to develop, publish, and release a series of research reports on the impact of the BTA on bilateral trade and investment flows, and on Vietnam's economy more generally. USAID/STAR also worked with the Ministry of Justice in the lead among a number of other state agencies to evaluate the impact of the BTA/WTO on Vietnam's legal system, both in terms of the laws and regulations needed to be adjusted to meet BTA/WTO requirements, and the impact of these reforms on key legal institutions.

A key focus for the first three years of USAID/STAR was to analyze and publicize the positive impact of the BTA on bilateral trade and on Vietnam's economy. USAID/STAR and CIEM completed three major reports on these issues from 2002 to 2004: *An Assessment of the Economic Impact of the United States-Vietnam Bilateral Trade Agreement: Annual Economic Report for 2002*, *An Assessment of the Economic Impact of the United States-Vietnam Bilateral Trade Agreement: Economic Report for the First Six Months of 2003*, and *An Assessment of the Economic Impact of the United States-Vietnam Bilateral Trade Agreement: Trade Update Report for 2003*. These reports documented the boom in Vietnamese exports to the United States (see Figure 1) and the solid growth in U.S. exports to Vietnam following the coming into force of the BTA. The reports also analyzed the impact on Vietnamese exports of the U.S.-Vietnam Textile Agreement and U.S. anti-dumping actions on fish fillets and shrimp.

**Innovative Report Shows that U.S.-Related FDI Surged after the BTA.** With the acceleration of legal reforms required for WTO accession in 2005 and 2006, USAID/STAR had to reallocate resources to support these efforts and to scale down resources applied on research reports. Nevertheless, in 2005, USAID/STAR worked with the FIA to develop a path-breaking study that documented for the first time the large amount of foreign direct investment (FDI) coming into

Vietnam from overseas affiliates of U.S.-owned companies, particularly those located in Singapore. This type of investment flow was not picked up in the normal FDI metrics that track flows of investment from one country to another. For example, the landmark almost \$1 billion investment by Intel in a chip factory outside of Ho Chi Minh will actually be registered as an investment from Hong Kong, not the United States. If FDI from overseas affiliates of U.S. companies are added to FDI sourced directly from the United States, then “U.S.-related” FDI accumulated over the last two decades is more than three times higher than normal reported levels. Furthermore, U.S.-related FDI grew strongly after implementation of the BTA (see Figure 3).<sup>9</sup> This report was released just before the historic trip by Prime Minister Phan Van Khai to the United States to promote stronger investment relations between the two countries. It was also much appreciated by the U.S. Embassy, since it provided data to counter criticism by Vietnamese that U.S. FDI into Vietnam was too low.

**FIGURE 3: U.S. IMPLEMENTED FDI (US\$ MILLIONS)**



Data in this figure are not adjusted for dissolved and expired projects.  
Source: MPI.

Major seminars were organized by CIEM and the FIA to release these reports, with more than 10,000 copies distributed throughout the country.

Over the last period of the project, MPI’s CIEM and FIA requested that USAID/STAR work with them to develop milestone research reports on the five-year impact of the BTA on Vietnam’s trade, investment, and economic structure, and the Ministry of Justice made a similar request to evaluate the five-year impact of the BTA on Vietnam’s legal system. These were major, time-consuming reports requiring several nationwide surveys, extensive data collection and analysis, coordination among a number of government counterparts, and the careful preparation, presentation, and release of findings. Because of the rush of work by both our counterparts and USAID/STAR to support the accelerated legal reforms in 2005 and 2006, progress in completing these reports was delayed. As with a number

<sup>9</sup> As background research by the FIA shows, indirect (portfolio and direct placement) foreign investment is now increasing rapidly into Vietnam as well, contributing to robust growth in the local stock market.

of other ongoing USAID/STAR-supported programming efforts still being developed by our counterparts at the end of 2006, the completion, publication, and release of these research reports will be taken over and developed seamlessly by USAID/STAR 2.

**Reports Advanced BTA/WTO Legislative Agenda.** In addition to economic research, USAID/STAR supported the Ministry of Justice to develop a comprehensive *Roadmap for BTA/WTO Implementation*, which identified and analyzed the many laws and regulations needed to complete full BTA and WTO implementation. This important document was used often by the government to identify and schedule the legal reforms needed to meet BTA/WTO requirements. Relatively early in the BTA implementation process, USAID/STAR supported the Office of the National Assembly to prepare a “Legislative Report” on the laws and ordinances that the National Assembly had to approve to meet BTA requirements. This Report was distributed to all National Assembly deputies and staff. USAID/STAR also supported an Issue Brief—akin to a similar type of publication by the U.S. Congressional Research Service—by the National Assembly on negotiable instruments. This provided a more easily understood analysis of the highly technical elements of this law. National Assembly leaders noted that this Issue Brief played a critical role in building a consensus to approve the law (an ordinance on negotiable instruments in the 1990s was significantly limited to the point of ineffectiveness because, it had been reported, none of the deputies understood the law). Building upon this success, the State Securities Commission chose to develop and distribute to National Assembly deputies and staff its own Issue Brief—without formal USAID/STAR support—on key principles underpinning the new Securities Law that was recently approved. USAID/STAR also supported a *Report on Transparency for the National Assembly by the Office of the National Assembly* that was aimed at developing support for making National Assembly procedures and legislative development more transparent. This document was also distributed throughout the National Assembly. These reports represent some of the first “donor”-supported documents to be distributed to every deputy and staff member of the National Assembly.

**Massive Public Education Efforts Culminate in 58,000 Reference Materials Distributed throughout Vietnam.** In terms of broader public education efforts, USAID/STAR supported the publication of approximately 58,000 reference materials that were distributed to government officials, judges and prosecutors, and business leaders throughout the country. These included the reports noted above, as well as guidebooks on the WTO, the first publication for wide dissemination of the official WTO Accession Protocol, various IPR conventions, and pamphlets to encourage stronger IPR enforcement.

## Summary of Program Outputs

Given especially the push for massive legal reforms in 2005 and 2006 to meet requirements for WTO accession and our mandate to respond to government priorities, USAID/STAR focused an estimated 60 percent of its resources on supporting legislative drafting and approval processes—changing the laws, regulations, and administrative procedures needed to comply with BTA/WTO standards and to provide a stronger domestic legal framework for market and private-sector activity. Roughly 30 percent of USAID/STAR’s work supported capacity building. The overall effectiveness of both our legal and institution development work was augmented significantly by additional resources provided by other U.S. and donor programs, under the strong leadership of the USAID office in Hanoi. Only about 10 percent of USAID/STAR’s resources could be used to research the impact of the BTA on Vietnam’s economy and legal system. This was somewhat less than originally desired, but was the

direct result of USAID/STAR's demand-driven priorities established by our SC to focus efforts in 2005 and 2006 on supporting reforms related to the WTO accession.

USAID/STAR's overall outputs over the five years and five months of operation were as follows (see Annex A for details on each activity):

- **Laws Supported.** USAID/STAR provided tailored support, including detailed legal comments on often multiple drafts, to help rewrite or develop anew 93 laws and regulations, of which 69 were adopted by project close-out on February 15, 2007. The remaining reforms still in development are expected to be approved over the next year or two.
- **Seminars Supported.** USAID/STAR supported counterparts in the organization of some 290 seminars and workshops for approximately 20,400 state officials and business leaders to promote reforms, to enhance understanding of BTA and WTO requirements, and to provide training to improve enforcement of the new laws.
- **Research Reports Published.** USAID/STAR worked with counterparts to produce a series of research reports that analyzed the impact of the BTA on Vietnam's trade, investment, economic structure, and legal system.
- **Websites Supported.** USAID/STAR worked with four key counterparts to develop websites (and with the courts to publish court decisions for the first time) to increase transparency and encourage public feedback on legislative reforms.
- **References Provided.** USAID/STAR worked with counterparts to develop and publish more than 58,000 copies of reference materials related to the BTA/WTO, distributed throughout Vietnam to government officials, National Assembly deputies and staff, judges, and prosecutors, as well as to Party and business leaders.
- **Study Missions Conducted.** Working closely in most cases with the USVTC, USAID/STAR organized 28 study missions for 180 officials to the United States, to Vietnam's Asian neighbors, and within Vietnam. To enhance understanding of and support for key BTA/WTO-related reforms, these missions were carefully targeted to help government leaders gain firsthand knowledge of how other countries (or local provinces) were handling key issues related to BTA/WTO compliance.

# III. FINANCIAL MANAGEMENT OF STAR

USAID/STAR produced the results summarized above (and listed in detail in Annex A) with a total budget of \$13.6 million. Detailed information on the budget is provided in Annex B. USAID initially funded USAID/STAR for three years, then twice provided one-year extensions; in all, USAID/STAR operated for five years and five months from contract award to project close-down. USAID increased the annual funding for USAID/STAR by around 50 percent per year after our first year, reflecting the fact that demand for USAID/STAR technical assistance was much higher than originally expected.

Strong oversight by USAID and frugal management by USAID/STAR and its home office support staff allowed us to maximize the benefits from these funds. In addition, USAID/STAR was able to supplement its core funding levels by leveraging the resources of other U.S. Government agencies and donors. Under USAID leadership, these other providers of funds and technical assistance found that partnering with USAID/STAR, given our close working relationships with key counterparts, could make both parties' efforts more effective. Roughly \$400,000 came from the U.S. Government and other donors to supplement resources provided by USAID/STAR for key technical assistance activities.<sup>10</sup> While these funds were not actually passed through USAID/STAR, they made it possible to enhance greatly programs requested by our state counterparts for which USAID/STAR provided technical or organizational leadership.

Finally, and possibly most critically, our Vietnamese government counterparts contributed resources and worked with USAID/STAR to keep costs for program activities as low as possible. USAID/STAR's demand-driven mandate meant that we worked only with counterparts who were driving a program forward, where USAID/STAR's funding and technical assistance could be complementary and supportive.

## Guiding Principles of Financial Administration

USAID/STAR hired staff, operated the Project office, conducted technical analyses, and gave financial support to help counterparts to carry out program activities. The guiding principles of USAID/STAR's financial administration were (i) compliance with USAID regulations and Vietnamese law; (ii) SC/USAID approval for all activities; (iii) continuous attention to practical cost-containing steps to conduct the highest quality technical assistance activity for the most reasonable outlay; and (iv) demand-driven program activities relying on our counterparts' initiative and encouraging in-kind and financial contributions by our counterparts.

---

<sup>10</sup> Examples of supplemental funding, due in large measure to considerable effort by our USAID managers in Vietnam, include (i) substantial support from the U.S. Patent and Trademark Office (and from the U.S. Department of Justice) for training judges and prosecutors in IPR, supplemented by major funding from a Danida technical assistance project; (ii) substantial support from a Washington-based USAID project to facilitate U.S. Securities and Exchange technical exchanges with Vietnam's State Securities Commission; (iii) substantial support from a Washington-based USAID project to support development of trade-related fiscal forecasting by the National Assembly and Ministry of Finance; (iv) support by Washington-based USAID projects for a program on electronic commerce and e-government with the National Assembly; and (v) substantial support from USDA for training related to development of Vietnam's system of plant variety IPR protection as well as its SPS system.

As the first major USAID technical assistance program in postwar Vietnam, USAID worked with USAID/STAR to develop regular operating procedures. For the first years of USAID/STAR's operation, there was no Vietnamese legal document in place to guide operations. A memorandum of understanding for technical assistance was developed by USAID and the Vietnamese government in 2003 to provide a transitional legal basis for USAID/STAR activities. Given the growing U.S. development relationship, USAID developed a full U.S.-Vietnam agreement on development assistance, which was negotiated and signed as part of the Prime Minister's visit to the U.S. in 2005. An important element of these agreements was clarification of USAID/STAR's tax status: USAID/STAR was responsible for withholding income taxes and paying social insurance for its Vietnamese staff in line with Vietnamese law, while USAID/STAR's expatriate staff were exempted from income tax. Vietnam was also required to refund VAT payments on goods and services. Procedures for VAT refunds took more than three years to develop, but by 2006, and continuing into early 2007, more than \$100,000 in VAT taxes were refunded to USAID by the Hanoi tax authorities. The VAT refunds enabled USAID/STAR to support several meaningful programs with our counterparts toward the end of the project when the core funding had been largely depleted.

# IV. KEY LESSONS LEARNED

## **The Critical Role of the Government Steering Committee, Demand-Driven Program Activities, Direct Support for Our Technical Counterparts, and USAID Leadership**

Major reasons for USAID/STAR’s success, in our view, were 1) the demand-driven process, which focused on a reform agenda defined by the BTA/WTO and embraced by the government; 2) the excellent leadership provided by the Government’s Steering Committee, which gave USAID/STAR the opportunity to work directly with up to 47 state counterparts; and 3) the effective support and oversight provided by the USAID Office in Hanoi, as well as its leadership in coordinating USAID/STAR’s activities with those of the many other U.S. Government agencies involved in negotiating, monitoring, and supporting the implementation of the BTA and WTO. This gave USAID/STAR the flexibility and political support needed to respond quickly to the most pressing needs of our numerous counterparts, in a “real-time” policy context. On the other hand, it did not limit USAID/STAR’s ability to provide longer-term technical assistance. USAID/STAR provided sustained, in-depth technical assistance to support the development of a number of major new laws and fundamental institutional changes that took several years to complete. The SC and USAID helped USAID/STAR and our technical counterparts set program priorities and cost-efficient delivery processes to manage the ongoing excess demand by state counterparts for USAID/STAR’s technical assistance. In summary, the SC provided priorities for USAID/STAR’s activity planning and high-level political support for USAID/STAR’s technical assistance efforts, while at the same time allowing USAID/STAR to tailor its support to meet the specific needs of each of its technical counterparts. Similarly, strong USAID leadership assisted and guided USAID/STAR’s efforts while helping USAID/STAR develop effective collaborative relationships with a broad range of U.S. agencies doing related work.

## **Linking BTA- and WTO-Related Reforms with Systematic Advances in Vietnam’s Legal System**

Vietnam made the astute decision to use trade agreements as a leading element of a more systematic modernization of its legal system to provide a stronger foundation for market-based activity, a growing private sector, and increased integration in global markets. In effect, the BTA and subsequently the WTO agreements served as USAID/STAR’s scope of work. When Vietnam signed these agreements, they agreed to make the many reforms required to meet their new and quite specific obligations, with deadlines for each reform in some cases phased in over time. These requirements, largely based on international best practice, gave technical focus and urgency to Vietnam’s legal reform efforts. USAID/STAR did not assist Vietnam’s negotiators and did not do analysis to justify specific reforms—rather, USAID/STAR took the results of the negotiations and helped counterparts understand the requirements, incorporate them into new laws, and then support the effective implementation of those laws.

A trade agreement does not affect only policies applied at the border, such as tariffs and quotas on traded goods; in fact, modern trade agreements such as the BTA and WTO delve deeply into a

country’s legal, regulatory, and administrative systems. As part of the process of harmonizing commercial systems throughout the world to facilitate trade and investment, a country is presumed to provide—on a nondiscriminatory basis—fundamental commercial rules, effective governance, transparent regulatory procedures, and a predictable legal system to resolve disputes. Furthermore, for a trade agreement to generate higher levels of trade and investment and real increases in income and employment, there must be key market institutions in place to facilitate commercial activity. This is all the more important for a transitional, developing economy such as Vietnam.

From the day USAID/STAR began, the SC and USAID saw that Vietnam needed to develop a legal and institutional framework that would systematically support market-oriented commercial activity so as to promote private sector development, minimize discrimination among private, state and foreign firms, and ease the country’s integration into the global market. To support this vision, USAID/STAR provided intensive technical assistance not only to help Vietnam meet the requirements stated directly in the BTA and WTO, such as shifting to a transaction value basis for collecting customs duties or allowing 100 percent foreign-owned bank subsidiaries, but also to help develop many key laws and institutional capacities required to facilitate a market economy and private sector development, such as more effective contract law. USAID/STAR was almost always asked by our counterparts to provide an international perspective both on a law’s BTA/WTO-specific elements and on most of its other, more domestic-oriented aspects. USAID/STAR was also asked to support key laws that did not involve specific BTA/WTO requirements, but that were required for Vietnamese businesses to benefit fully from those agreements. These included, for example, more effective laws on contracts, negotiable financial instruments, basic property rights (such as secured transactions), prudential supervisory criteria for banks, court procedures, and enforcement of court judgments.

Thus, USAID/STAR not only supported implementation of the BTA and WTO, but also provided considerable support for the systematic development of a domestic legal system in Vietnam to facilitate market activity and private sector growth. Even more broadly, USAID/STAR’s support for legal development and transparency contributed to establishing a stronger rule of law and more open and effective governance.

## **USAID’s Investment in a Strong Resident Team Operating in “Real Policy Time”**

USAID/STAR’s demand-driven operating mandate created a large flow of requests for technical assistance on a wide range of often complicated issues. To meet the evolving needs of its counterparts, USAID steadily increased USAID/STAR’s funding, enabling it to build a formidable resident technical capacity in Vietnam. By many accounts, USAID/STAR had the country’s largest—and strongest—donor-funded technical assistance team supporting economic and legal reforms. This investment gave USAID/STAR the in-country capacity to respond flexibly and quickly to support policy changes on a wide range of issues—that is, to operate on the “real policy time” basis faced by our counterparts. Made up of both expatriate and Vietnamese experts, USAID/STAR’s team grounded all of its technical assistance not only in international best practice, but also in Vietnamese reality. As well, USAID/STAR was able to put reform of any particular law in the context of the larger, systemwide legal reform in Vietnam, which allowed us to support the development of legal reforms that were consistent with other laws and that minimized confusing overlap among laws. USAID/STAR’s experts also represented a number of different though complementary disciplines,

including law, economics, and business, ensuring that USAID/STAR's solutions and recommendations were soundly based on principles from all of these domains.

## **Effective Donor Cooperation and Integration with Other U.S. Government-Funded Programs**

Under SC and USAID supervision, USAID/STAR cooperated regularly with other donor programs working on issues of mutual concern. Although our counterparts rationally preferred to receive advice on legislative development from a number of countries and donors, USAID/STAR was asked to provide an objective, U.S.-oriented analytical perspective on almost every relevant legal reform from 2002 to 2006. This responded to our mandate from the SC and reflected the importance placed by Vietnamese officials on understanding U.S. perspectives in line with BTA implementation and WTO accession.

Thanks to the leadership of STAR's USAID managers, it was possible to substantially augment the resources STAR could draw on to support technical assistance for reform and capacity building in Vietnam. Working closely with the SC and STAR's technical counterparts, we developed a number of cooperative efforts to supplement both STAR's technical expertise and its funding—a sum estimated at around \$400,000 over STAR's five-year lifespan. Our partners could build upon USAID/STAR's strong working relationships with counterparts, as well as its technical expertise, to achieve mutually desired objectives in a way that represented a highly effective use of their resources.

In this way, with USAID oversight, USAID/STAR was able to develop strong cooperative relationships with a number of U.S. agencies interested in developing programs in Vietnam, including the Patent and Trademark Office, the Securities and Exchange Commission, the Federal Trade Commission, the Department of Treasury, the Department of Justice, and the Department of Agriculture. This allowed the U.S. Government to provide a more robust, coordinated and user-friendly package of technical assistance supporting our Vietnamese counterparts' efforts to achieve reforms and build capacity.

Some important examples of these efforts included 1) a request by the Supreme People's Court for USAID/STAR to take the technical lead in developing programs to train judges on IPR issues, for which USAID/STAR coordinated financial support from Danida, the U.S. Patent and Trademark Office, and a USAID-funded legal development project in Thailand; 2) a Vietnam government request for USAID/STAR to take the technical lead on a Danida-funded program to develop an electronic *Official Gazette* (a journal of government announcements); and 3) a program led by USAID in which USAID/STAR and the U.S. Securities and Exchange Commission supported development of a strong new securities law and capacity building for the State Securities Commission. Effective cooperation with other donors and U.S. agencies was necessary not just to avoid overlap, but—equally important—to ensure that Vietnam received the best advice available, with the benefit of a wide range of perspectives. This approach, which was led by USAID/Hanoi, also had the effect of deepening USAID's leadership role within the donor community.

## **Strong Coordination and Communication with the Steering Committee and USAID**

From the Vietnamese perspective, it was important to ensure that USAID/STAR resources were used effectively to advance its BTA- and WTO- related reform priorities, in coordination with the efforts of a variety of state agencies and other donor programs. For USAID/STAR to work well, the SC had to be integrally involved in setting priorities for USAID/STAR technical assistance. It also needed regular reports from STAR and STAR's state counterparts on the activities being carried out. To meet this need, USAID required STAR to provide the SC and USAID with detailed workplans and, over the last year or two of the project, with regular biweekly reports on STAR activities as well. It was also important for USAID/STAR's counterparts to report to the SC on the effectiveness of USAID/STAR's support and on how best to establish priorities for USAID/STAR's assistance.

After initially meeting three to four times a year, the SC began to meet twice a year to review and approve USAID/STAR's workplans. It met only once in 2006, given the rush to meet WTO deadlines. As required by USAID, these workplans gave a detailed report on recent program activities as well as new requests for USAID/STAR's technical assistance. If a new request for USAID/STAR assistance was made between SC meetings, approval could be provided based on a letter or oral acknowledgement, which would then be formalized in the next workplan. USAID and USAID/STAR staff met regularly with the SC Secretariat to ensure appropriate communication and interaction.

## **The Need for a Technical Assistance Team to Fit into Government-Led Implementation and Negotiating Processes**

For any technical assistance program working on trade agreements, it is important to acknowledge from the start that—as mentioned earlier—it is governments, not technical advisors, that negotiate, implement, and monitor trade agreements. It is critical for the governments involved to carefully lay out the operating parameters for the technical assistance team to make sure that they are “part of the solution, not part of the problem.”

A key challenge for USAID/STAR throughout its operation, therefore, was to define and carry out appropriate technical assistance to support efforts led by the U.S. and Vietnamese governments to implement the BTA and negotiate the WTO accession. The risk was immediately recognized that at some stage, advice on how to meet BTA and WTO requirements, given on a fully professional and objective basis by USAID/STAR's technical advisors, might not conform precisely to U.S. official interpretations in particular.

To deal with this challenge, the U.S. Government (USAID, the Embassy, and USTR) and the SC developed a “firewall” between the technical assistance team and the official processes. USAID/STAR team members received relevant Vietnamese draft legislation on a confidential basis and provided their best professional, objective advice on how Vietnam could meet requirements under the trade agreement and on how it could develop a stronger legal and economic system. USAID/STAR was not asked to submit these draft laws and regulations to U.S. officials. Rather, U.S. officials asked that Vietnam provide them directly with appropriate draft legislation through formal channels. USAID/STAR did not interact directly with U.S. or Vietnamese negotiators. The connection between providing effective technical assistance and supporting government-led activities was ensured by USAID/Hanoi management.

To see to it that USAID/STAR's work was constructive and supportive of both U.S. and Vietnamese objectives, USAID led regular discussions between STAR experts and key Vietnamese and U.S. government officials on priorities and policy objectives. Where there might have been a conflict, USAID/STAR did not work in that area.<sup>11</sup> On the other hand, as the WTO accession negotiations entered their final stages, several issues needed to be resolved to finalize the agreement, especially those related to IPR enforcement. In this case, both USAID and the Vietnamese government asked USAID/STAR to play a more formal role as a liaison facilitating dialogue between the Vietnamese drafters of key legal reforms and USTR and Embassy officials working to finalize the negotiations. This, however, was an exception to USAID/STAR's normal role of providing "independent" legal advice and support for seminars.

---

<sup>11</sup> For example, STAR provided strong technical assistance to the Ministry of Posts and Telecommunications (MOPT) on telecommunications reform during the early years of the project. Once the bilateral negotiations heated up, however, MOPT decided that it did not want USAID assistance on such a sensitive issue. STAR, then, did not provide assistance to the MOPT over the last few years of the project.

# ANNEX A

## SUMMARY OF USAID/STAR-SUPPORTED TECHNICAL ASSISTANCE PROGRAMS

(October 2001–February 15, 2007)

### A. Support for Developing Legal Normative Documents

No.	Legal Normative Documents	BTA Relevance	Date Started	Status	Counter-parts*	Year Approved
<b>A.I Support for Developing Legal Normative Documents Initiated in 2002</b>						
1	Decree on Foreign Lawyers	Trade in services	Jun 02	Completed	MOJ	2002
2	Commercial Law	Trade in goods	Jun 02	Completed	MOT	2005
3	Ordinance on E-Commerce	Trade in goods	Jun 02	Upgraded	MOT	Upgraded to a new Law
4	Ordinance on Commercial Arbitration	Trade in goods	Jul 02	Completed	VLA	2003
5	Decree 24 on Foreign Investment	Investment	Aug 02	Completed	MPI	2003
6	Law on Laws	Transparency	Aug 02	Completed	MOJ	2003
7	Civil Procedure Code	IPR	Aug 02	Completed	SPC	2004
8	Decree on Official Gazette	Transparency	Oct 02	Completed	OOG	2003
9	Ordinance on Economic Contracts	Trade in goods	Jul 03	Completed	SPC	2005
10	Civil Code	IPR - goods	Oct 02	Completed	MOJ	2005
<b>A.II Support for Developing Legal Normative Documents Initiated in 2003</b>						
11	Law on State Bank	Trade in services	Jan 03	Completed	SBV	2003
12	Decree on the Implementation of the Law on Laws	Transparency	Mar 03	Completed	MOJ	2006
13	Decree on Inspection of LNDs	Transparency	Mar 03	Completed	MOJ	2003
14	Law on Local Laws	Transparency	Mar 03	Completed	MOJ	2004
15	Official Letter on Dong Deposits for U.S. Banks (this is not a LND)	Trade in services	May 03	Completed	SBV	2003
16	Law on Credit Institutions	Trade in services	May 03	Completed	SBV	2004
17	Resolution on Implementation of Ordinance on Arbitration	Trade in goods	May 03	Completed	SPC	2003

No.	Legal Normative Documents	BTA Relevance	Date Started	Status	Counter-parts*	Year Approved
18	Decree on Enforcement of Arbitral Awards	Trade in goods	May 03	Completed	VLA	2004
19	Ordinance on Anti-Dumping	Trade in goods	Jul 03	Completed	MOT	2004
20	Circular on Border Measures for Copyrights	IPR	Aug 03	Completed	Customs	2003
21	Circular on Border Measures for Industrial Property	IPR	Aug 03	Completed	Customs	2004
22	Ordinance on Telecommunications	Trade in services	Sep 03	Completed	MOPT	
23	Circular on Customs Valuation	Trade in goods	Oct 03	Completed	Customs	2004
24	Circular on Harmonized System of Tariffs	Trade in goods	Oct 03	Completed	Customs	2003
25	Decree on Post-Clearance Audit	Trade in goods	Oct 03	Completed	Customs	Included into Decree on Customs Procedures
26	Amended Customs Law	Trade in goods	Oct 03	Completed	Customs	2005
27	Decree on Remedies	IPR	Nov 03	Included in Revised Civil Code	MOJ	
28	Amended Law on Complaints and Denunciations	Transparency	Dec 03	Completed	SI	2004
29	Ordinance on Procedures for Handling Administrative Cases	Transparency	Dec 03	Completed	SPC	2006
30	Decree on Securities	Trade in services	Dec 03	Completed	SSC	2003
<b>A.III Support for Developing Legal Normative Documents Initiated in 2004</b>						
31	Common Investment Law	Investment	Mar 04	Completed	MPI	2005
32	Unified Enterprise Law	Investment	Mar 04	Completed	CIEM/MPI	2005
33	Competition Law	Trade in goods	Mar 04	Completed	NA	2004
34	Bankruptcy Law	Investment	Mar 04	Completed	NA	2004
35	Law on E-Transactions	Trade in goods	Mar 04	Completed	NA	2005
36	Regulation on IPR Enforcement Coordination	IPR	Apr 04	Completed	DOST/Ho Chi Minh City	2004
37	Judgment Enforcement Code	IPR	May 04	Ongoing	MOJ	Expected 2007
38	Decree on Telecommunications	Trade in services	May 04	Completed	MOPT	2004
39	Law on Securities	Trade in services	May 04	Completed	SSC	2006
40	Law on International Treaties	General	May 04	Completed	NA	2005
41	Decree on Foreign Banks	Trade in services	Aug 04	Completed	SBV	2006

No.	Legal Normative Documents	BTA Relevance	Date Started	Status	Counter-parts*	Year Approved
42	Decision on Prudential Regulations for Banks	Trade in services	Aug 04	Completed	SBV	2005
43	Law on Negotiable Instruments	Trade in services	Nov 04	Completed	SBV	2005
44	Law on Import and Export Duties	Trade in goods	Nov 04	Completed	MOF	2005
45	Circular on Official Gazette	Transparency	Sep 04	Completed	OOG	2005
<b>A.IV Support for Developing Legal Normative Documents Initiated in 2005</b>						
46	Law on Intellectual Property Rights	IPR	Jan 05	Completed	MOST, NA	2005
47	Decree on Anti-dumping	Trade in goods	Jan 05	Completed	MOT	2005
48	Guideline on Provisional Measures	IPR	Mar 05	Completed	SPC	2005
49	Guideline on Evidence	IPR	Mar 05	Completed	SPC	2005
50	Guideline on Burden of Proof	IPR	Mar 05	Completed	SPC	2005
51	Amended Law on Complaints and Denunciations	Right to appeal	Mar 05	Completed	GI/NA/IAC	2005
52	Law on Standards and Technical Regulations	Trade in goods	Mar 05	Completed	MOST	2006
53	Omnibus Bill for WTO accession	General	Mar 05	Completed	MOJ/NA	2006
54	Circular on Law on Local Laws	Transparency	Feb 05	Completed	MOJ	2006
55	Decree on Implementing Amended Law on Import and Export Duties	Trade in Goods	Jul 05	Completed	MOF	2006
56	Decree on Customs Valuation	Trade in goods	Jul 05	Completed	MOF	2005
57	Decree on Customs Procedures	Trade in goods	Jul 05	Completed	MOF	2005
58	Decree on Commercial Presence of Foreign Traders (rep. office and branches)	Trade in services	Jul 05	Completed	MOT	2006
59	Decree on Import and Export Mechanism	Trade in goods	Jul 05	Completed	MOT	2006
60	Decree on Franchising	Trade in services	Jul 05	Completed	MOT	2006
61	Decree on Rule of Origin	Trade in goods	Jul 05	Completed	MOT	2006
62	Draft Decree on Foreign Trading Companies	Trade in services	Mar 05	Ongoing	MOT	Expected, 2007
63	Decree on List of Prohibited and Conditional Goods and services	Trade in goods	Jul 05	Completed	MOT	Expected, 2007
64	Law on Information Technology (IT)	IPR	Jul 05	Completed	NA	2006

No.	Legal Normative Documents	BTA Relevance	Date Started	Status	Counter-parts*	Year Approved
<b>A.V</b>	<b>Support for Developing Legal Normative Documents Initiated in 2006</b>					
65	Decree on Re-registration of FIEs	Investment	Feb 06	Completed	MPI	2006
66	Decree on Implementing Investment Law	Investment	Feb 06	Completed	MPI	2006
67	Decree on Business Registration and Registers	Investment	Feb 06	Completed	MPI	2006
68	Decree on IPR Enforcement	IPR	Mar 06	Completed	MOST	2006
69	Decree on Industrial Property	IPR	Mar 06	Completed	MOST	2006
70	Decree on Copyrights	IPR	Mar 06	Completed	MOCI	2006
71	Law on Complaints and Proposal on Administrative Tribunals	Transparency	Mar 06	Ongoing	GI	Expected, 2008
72	Law on Technology Transfer	IPR	May 06	Completed	MOST	2006
73	Decree to Implement Law on Complaints and Denunciations	Transparency	May 06	Completed	GI	2006
74	Decree on Secured Transaction	General	May 06	Completed	MOJ	2006
75	Decree on Implementing Securities Law	Investment	Jun 06	Ongoing	SSC	Expected, 2007
76	Decree on Administrative Fine on Violation of Securities Regulations	Investment	Jun 06	Ongoing	SSC	Expected, 2007
77	Decree on Organization of SSC	Investment	Jun 06	Ongoing	SSC	Expected, 2007
78	Law on Notary	General	Sep 06	Completed	MOJ	2006
79	Law on Quality of Goods	Trade in Goods	Sep 06	Ongoing	MOST/NA	Expected, 2007
80	Decree on Standards and Technical Regulations	Trade in Goods	Sep 06	Ongoing	MOST	Expected, 2007
81	Circular on Information Disclosure	Investment	Nov 06	Ongoing	SSC	Expected, 2007
82	Circular on Listing Standards	Investment	Nov 06	Ongoing	SSC	Expected, 2007
83	Regulation on Securities Exchange	Investment	Nov 06	Ongoing	SSC	Expected, 2007
84	Regulation on Redemption of Treasury Stocks	Investment	Nov 06	Ongoing	SSC	Expected, 2007
85	Regulation on Funds and Fund Managers	Investment	Nov 06	Ongoing	SSC	Expected, 2007
86	Regulation on Inspection of Insider Trading	Investment	Nov 06	Ongoing	SSC	Expected, 2007
87	Regulation on Securities Companies	Investment	Nov 06	Ongoing	SSC	Expected, 2007
88	Regulation on Depository Center	Investment	Nov 06	Ongoing	SSC	Expected, 2007
89	Circular on Secured Transactions	General	Nov 06	Ongoing	MOJ	Expected, 2007

No.	Legal Normative Documents	BTA Relevance	Date Started	Status	Counter-parts*	Year Approved
90	Circular on Industrial Property Protection	IPR	Nov 06	Ongoing	SPC	Expected, 2007
91	Circular on Copyright Protection	IPR	Nov 06	Ongoing	SPC	Expected, 2007
92	Circular on Criminal IPR Protection	IPR	Nov 06	Ongoing	SPC	Expected, 2007
93	Resolution to Approve the WTO Accession Protocol	General	Nov 06	Completed	NA	2007

### B. Workshops and Seminars

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
<b>B.I Workshops Conducted in 2002</b>						
1	Workshop on Decree on Lawyers	Trade in services	Jun 02	MOJ	100	Hanoi
2	Training Course on Legal Drafting	Transparency	Jun 02	MOJ	7	Hanoi
3	Technical Workshop on Commercial Law	Trade in goods	Jun 02	MOT	30	Ho Chi Minh City
4	Technical Workshop on the E-Commerce Ordinance	Trade in goods	Jun 02	MOT	30	Hanoi
5	Two BTA Training Workshops for Judicial and Legal Officials (8 days each)	General	Jul 02	MOJ	400	Hanoi/Ho Chi Minh City
6	Two BTA Training Workshops for SPC (3 days each)	General	Jul 02	SPC	150	Hanoi/Ho Chi Minh City
7	Six Workshops on the BTA for Local Businesses and Gov't Officials	General	Jul 02	VCCI	900	6 provinces
8	Workshop on the Civil Procedure Code for SPC	IPR	Aug 02	SPC	40	Hanoi
9	Workshop on Publication of Court Decisions	Transparency	Aug 02	SPC	40	Hanoi
10	Technical Workshop on Customs Administration	Trade in goods	Sep 02	Customs	15	Hanoi
11	Workshop on the Official Gazette	Transparency	Sep 02	OOG	50	Hanoi
12	Workshop on Decree on Foreign Lawyers	Trade in services	Oct 02	MOJ	60	Hanoi
13	Two Conferences on IPR Protection (2 days each)	IPR	Oct 02	NOIP	250	Hanoi/Ho Chi Minh City
14	BTA Training Workshop for OOG (5 days)	General	Oct 02	OOG	80	Hanoi
15	Workshop on Decree on the Official Gazette	Transparency	Oct 02	OOG	50	Hanoi

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
16	Training Workshop on IPR for SPC Judges	IPR	Oct 02	SPC	80	Hanoi
17	Workshop on Telecommunications	Trade in services	Nov 02	MOPT	100	Hanoi
18	Workshop on E-Commerce Ordinance	Trade in goods	Nov 02	MOT	50	Hanoi
19	Conference on Telecom & E-Commerce (2 days)	Trade in services	Nov 02	MOPT	150	Hanoi
20	Workshop on Financial Services	Trade in services	Nov 02	SBV	50	Hanoi
<b>B.II</b>	<b>Workshops Conducted in 2003</b>					
21	Technical Workshop on BTA Economic Report	General	Apr 03	CIEM	100	Hanoi
22	Technical Workshop on the Law on Credit Institutions (Banking Law)	Trade in services	May 03	SBV	30	Hanoi
23	Two Workshops on Copyright for Musical Works	IPR	Jun 03	Copyright Center	250	Hanoi/Ho Chi Minh City
24	Three Technical Workshops on Law on Law Decrees and Law on Local Laws	Transparency	Jun 03	MOJ	50	Hanoi
25	Workshop on Specialized IPR Courts	IPR	Jun 03	SPC	80	Hanoi
26	Workshop on Remedies	IPR	Jun 03	SPC	80	Hanoi
27	BTA Training Workshop for MOFA	General	Jul 03	MOFA	150	Hanoi
28	Two Conferences on Financial Services Reform	Trade in services	Jul 03	SBV	200	Hanoi/Ho Chi Minh City
29	Technical Workshop on Banking Law (LCI)	Trade in services	May 03	SBV	30	Hanoi
30	Technical Workshop on Capital Adequacy (Basel I & II)	Trade in services	Jul 03	SBV	30	Hanoi
31	Retreat on the Civil Procedure Code (5 days)	IPR	Jul 03	SPC	50	Halong Bay
32	Workshop on Border Measures for Customs	IPR	Aug 03	Customs	20	Hanoi
33	Workshop on IPR Enforcement	IPR	Aug 03	Hanoi PC	150	Hanoi
34	Workshop on Rules of Origin	Trade in goods	Aug 03	MOJ	40	Hanoi
35	Four Workshops on Contract Law	Trade in goods	Aug 03	MOT + MOJ	150	Hanoi
36	Four Conferences on Trademark Protection and Procedures	IPR	Aug 03	NOIP	400	Hanoi/Ho Chi Minh City Da Nang/Haiphong

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
37	Three Training Workshop for Lawyers on the BTA and Commercial Arbitration (4 days each)	Trade in goods	Sep 03	MOJ	400	Hanoi/Ho Chi Minh City Da Nang
38	Technical Workshop on Telecoms Ordinance & Decree	Trade in services	Sep 03	MOPT	15	Hanoi
39	Two Workshops on Commercial Law	Trade in goods	Sep 03	MOT	200	Hanoi/Ho Chi Minh City
40	Two Workshops on Anti-Dumping Ordinance and Trade Remedies	Trade in goods	Sep 03	MOT	300	Hanoi/Ho Chi Minh City
41	Two Technical Workshops on Telecom Annex and Reference Paper	Trade in services	Sep 03	MPT	50	Hanoi
42	Four Technical Workshops on Customs Issues	Trade in goods	Oct 03	Customs	75	Hanoi
43	Two BTA Training Workshops for the National Assembly (3 days each)	General	Oct 03	NA	150	Hanoi/Ho Chi Minh City
44	Workshop on Border Measures for Customs	Trade in goods	Dec 03	Customs	50	Hanoi
45	Workshop on Judicial Reform and Right to Appeal	Transparency	Dec 03	IAC	35	Hanoi
46	Five Workshops on Administrative Law and the Right to Appeal	Transparency	Dec 03	SI	250	Hanoi/Ho Chi Minh City/Da Nang
47	Technical Workshop on IPR with the National Assembly	IPR	Dec 03	NA	60	Hanoi
<b>B.III</b>	<b>Workshops Conducted in 2004</b>					
48	Workshop on Guidelines for Developing a Unified Investment Law Regime	Investment	Mar 04	MPI, PMRC, CIEM	75	Hanoi
49	Workshop on CPC for IAC	IPR	Mar 04	IAC	40	Hanoi
50	Workshop on Right to Appeal with Leadership of NA, SI and NA	Transparency	Mar 04	IAC, SI	100	Hanoi
51	Workshop on CPC for NA	IPR	Mar 04	NA	70	Hanoi
52	Retreat on the CPC for SPC (3 days)	IPR	Mar 04	SPC	60	Halong Bay
53	Workshop on Study Tour on Commercial Disputes and the Right to Appeal	Transparency	Mar 04	IAC	40	Hanoi

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
54	Workshop on Law on Complaints and Denunciations and on Petitions to the NA	Transparency	Mar 04	IAC	100	Hanoi
55	Technical Workshop on the Common Investment Law with Lawyers	Investment	Apr 04	MPI	70	Hanoi
56	Technical Workshop with MPI officials on CIL	Investment	Apr 04	MPI	50	Hanoi
57	Two-Day Retreat on Bankruptcy Law, Competition Law and the Ordinance on Anti-Dumping	Goods/Services	Apr 04	CEBA/NA	75	Phan Thiet
58	Two Training Workshops for IPR Enforcement (3 days each)	IPR	Apr 04	MPS	300	Hanoi, Ho Chi Minh City
59	Technical Workshop on Contract Laws	Trade in Goods	Apr 04	NA	70	Hanoi
60	Workshop on Electronic Transaction Law	Trade in Goods	Apr 04	NA	70	Hanoi
61	Two Public Seminars on Commercial Law	Trade in Goods	May 04	MOT	200	Hanoi/Ho Chi Minh City
62	Retreat on Commercial Law (3 days)	Trade in Goods	May 04	MOT	40	Halong Bay
63	Two Public Seminars on Civil Code (Contract Law Issues)	Trade in Goods	May 04	MOJ	200	Hanoi/Ho Chi Minh City
64	Technical Workshop on the Civil Code: Part I (3 days), Part II, Part III	Trade in Goods	May 04	MOJ	40	Hanoi
65	Two Technical Workshops on Regional Economic Reports	General	May 04	IER/HISED	50	Ho Chi Minh City/Hanoi
66	Workshop with Local Officials on Shortcomings of the Draft Investment Law	Investment	May 04	MPI	35	Da nang
67	Release Workshop on Trade Update for 2003	General	May 04	CIEM	70	Hanoi
68	Two Launching Workshops for the Online BTA Forum	General	May/Jul 04	VCCI	200	Hanoi/Ho Chi Minh City
69	Half-Day Roundtable with Ministry of Transportation on Anti-Bioterrorism	Trade in Goods	Jun 04	MOTR	20	Hanoi
70	Workshop on Anti-Bioterrorism Act and Ship and Vessel Security	Trade in Goods	Jun 04	MOT/MOTR	90	Hanoi
71	Workshop on Law on International Treaties	General	Jun 04	MOFA	90	Hanoi

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
72	Two Two-Day Workshops on Reviewing Local Regulations with MOJ	General	Jul 04	MOJ	180	Hanoi/Nha Trang
73	Workshop on Part VI of the Civil Code	IPR	Aug 04	MOJ	20	Hanoi
74	Two-Day Retreat on Draft Commercial Law and Competition Law	Trade in Goods & services	Aug 04	NA	60	Da Nang
75	Workshop on Foreign Bank Decree	Trade in services	Sep 04	SBV	40	Hanoi
76	Workshop on OTC Market and BTA Implication for Securities Services	Trade in services/ Investment	Sep 04	SSC	50	Hanoi
77	Workshop on Bank Prudential Regulations	Trade in services	Sep 04	SBV	40	Hanoi
78	Workshop on Developing a Securities Law	Investment	Sep 04	SSC	100	Hanoi
79	Technical Workshop on Securities Legislation	Investment	Sep 04	SSC	10	Hanoi
80	Two Technical Workshops on U.S. Budgetary and Auditing Processes, and Models for Estimating the Impact of Policy Changes on Tax Revenue	General	Sep 04	NA	40	Hanoi
81	Public Workshop on the Need for Developing IPR Law	IPR	Oct 04	MOST	88	Hanoi
82	Workshop on IPR Enforcement	IPR	Oct 04	Ho Chi Minh City	150	Ho Chi Minh City
83	Two-Day Technical Workshop on Civil Procedure Code Guidelines	IPR	Oct 04	SPC	50	Hanoi
84	Three Training Courses for Judges on the Civil Procedure Code	IPR	Nov 04	SPC	487	Hanoi, Da Nang, Ho Chi Minh City
85	Retreat on Civil Code for the Law Committee of the National Assembly	IPR	Nov 04	LC	51	Tamdao
86	Two Technical Workshops on Foreign Bank Decree	Trade in services	Dec 04	SBV	100	Hanoi/Ho Chi Minh City
87	Workshop on Models for Revenue Collection and Trade and Tax Policy Changes	General	Dec 04	NA	20	Hanoi

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
88	Workshop on Part VI of the Civil Code and the IPR Law	IPR	Dec 04	MOST	70	Hanoi
89	Workshop to Review Draft IPR Law	IPR	Dec 04	MOST	82	Hanoi
89	Workshop on Law on Treaties	General	Dec 04	MOFA	70	Ho Chi Minh City
90	Public Workshop on E-Transaction Law	Trade in Goods	Dec 04	NA	140	Da nang
91	Technical Workshop on Customs Valuation Handbook	Trade in Goods	Dec 04	Customs	50	Hanoi
92	Workshop on the Law on Negotiable Instruments	Trade in Goods	Dec 04	NA	70	Hanoi
<b>B.IV</b>	<b>Workshops Conducted in 2005</b>					
93	Three Technical Workshops on Copyright Provisions of IPR Law	IPR	Jan 05	COV	30	Hanoi
94	Technical Workshop on Judgment Enforcement Code with MOJ Drafting Team	IPR	Jan 05	MOJ	20	Hanoi
95	Technical Workshop on Judgment Enforcement Code and Part VI of Civil Code	IPR	Jan 05	IAC	40	Hanoi
96	Public Workshop on Judgment Enforcement Code	IPR	Jan 05	MOJ	80	Ho Chi Minh City
97	Technical Workshop on Judgment Enforcement Code with NA	IPR	Jan 05	NA	40	Ho Chi Minh City
98	Two Technical Workshops on Judgment Enforcement Code with Lawyers and Enforcement Officers	IPR	Jan 05	MOJ	40	Ho Chi Minh City, Hanoi
99	Workshop on Law on Import and Export Duties	Trade in Goods	Jan 05	MOF	90	Hanoi
100	Two Technical Workshops with Copyright Provisions in IPR Law	IPR	Jan 05	MOCI	20	Hanoi
101	Public Workshop on E-Transaction Law	Trade in Goods	Feb 05	NA	120	Hanoi
102	Technical Workshop on E-Transaction Law	Trade in Goods	Feb 05	NA	20	Tamdao
103	Two-Day Workshop on IPR Law	IPR	Feb 05	MOST	80	Hanoi
104	Public Workshop on IPR Law (copyright part)	IPR	Feb 05	MOCI	100	Hanoi

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
105	Two-Day Training and Workshop on Law on Negotiable Instruments	Trade in Goods	Mar 05	NA	80	Hanoi
106	Three-Week Intensive Training for 25 Judges in Vietnam and Thailand	IPR	Mar 05	SPC	25	Hanoi/Thailand
107	Two Public Workshops on Law on Import and Export Duties and Customs Law	Trade in Goods	Mar 05	MOF	150	Hanoi/Ho Chi Minh City
108	Two Technical Workshops on Law on Import and Export Duties and Customs Law	Trade in Goods	Mar 05	MOF	20	Hanoi
109	Technical Workshop on Enterprise Law	Investment	Mar 05	MPI	80	Hanoi
110	Two Public Workshops on Civil Code with VCCI	General	Mar 05	VCCI	280	Hanoi/Ho Chi Minh City
111	Two Public Workshops on Civil Code	General	Mar 05	VLA	120	Hanoi/Ho Chi Minh City
112	Three-Day Technical Workshop with Law Committee on Civil Code	General	Mar 05	NA	35	Halong Bay
113	Two Two-Day Training Courses on Implementation of Law on Local Law	Transparency	Mar 05	MOJ	300	Hanoi/Ho Chi Minh City
114	Workshop on Omnibus Bill for WTO Accession and MOJ Roadmap	General	Mar 05	MOJ	45	Hanoi
115	Two Workshops on Law on International Treaties and Omnibus Bill for WTO Accession	General	Mar 05	NA	120	Hanoi/Ho Chi Minh City
116	Technical Workshop with MOFA on Law on International Treaties and WTO Accession	General	Mar 05	MOFA	55	Hanoi
117	Technical Workshop with Leadership of NA on WTO Accession	General	Mar 05	NA	10	Hanoi
118	Technical Workshop with CEBA on Commercial Law and Civil Code	Trade in Goods	Apr 05	NA	30	Hanoi
119	Two Training Courses on Law on Local Laws	Transparency	Apr 05	MOJ	300	Hanoi/Ho Chi Minh City
120	Technical Workshop on Customs and Import and Export Duties Laws	Trade in Goods	May 05	MOF	100	Da nang

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
121	Four Technical Workshops with Businesses, Lawyers, Bankers, Local Enforcement Agencies and Local Government on the Draft IPR Law	IPR	May 05	MOJ	220	Ho Chi Minh City
122	Public Workshop on Official Gazette	Transparency	May 05	OOG	200	Hanoi
123	Technical Workshop on BTA and FDI report	General	May 05	MPI	70	Hanoi
124	Technical Workshop on Securities Law	Investment	May 05	SSC	20	Hanoi
125	Technical Workshop on Right to Appeal under WTO and BTA and the Law on Complaints and Denunciations	Transparency	May 05	SI	40	Hanoi
126	Workshop on Ordinance on Procedures for Settling Administrative Cases	Transparency	Jun 05	SPC	30	Nha Trang
127	Press Release on impact of BTA on FDI	Investment	Jun 05	MPI	60	Hanoi
128	Three Training Workshops for Local Officials on the BTA and Implications for Making and Reviewing Local Regulations	General	Jul 05	MOJ	210	Hanoi, Hue, Vung Tau
129	Two Workshops to Launch the Publication of the First Volumes of Court Decisions	Transparency	Jul 05	SPC	60	Hanoi, Ho Chi Minh City
130	Workshop on Publication of Court Decisions for Senior Leaders and the International Community and Press	Transparency	Jul 05	SPC	50	Hanoi
131	Three-Day Retreat on Judgment Enforcement Code (JEC)	IPR	Jul 05	MOJ	40	Halong Bay
132	Technical Workshop with the IAC on the JEC	IPR	Jul 05	IAC	30	Hanoi
133	Technical Workshop with the NA on the JEC	IPR	Jul 05	NA	50	Hanoi
134	Technical Workshop with the SPC on the JEC	IPR	Jul 05	SPC	20	Hanoi
135	Two Workshops on Law on Negotiable Instruments	Trade in Goods	Jul 05	SBV	120	Hanoi, Ho Chi Minh City
136	Three-Day Retreat on the Securities Law	Investment	Jul 05	SSC	30	Halong Bay

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
137	Three-Day Retreat on BTA/WTO Roadmap	General	Jul 05	MOJ	20	Haiphong
138	Workshop to Release Initial Result on Research on the Impact of the BTA on FDI	Investment	Jul 05	MPI	100	Hanoi
139	Two Workshops on Models for Projecting the Revenue on the Impact of Tax Changes	General	Jul 05	NA	40	Hanoi
140	Two Workshops on Ordinance on Standardization	Trade in Goods	Aug 05	MOST/NA	100	Hanoi, Ho Chi Minh City
141	Two Two-Day Workshops on Decrees to Implement the Commercial Law	Trade in Goods	Aug 05	MOT	160	Da Nang, Ho Chi Minh City
142	Two-Day Retreat on the Law on E-Transactions	General	Sep 05	NA	30	Halong Bay
143	Workshop on IPR Law (enforcement part)	IPR	Sep 05	Hanoi Trade Dept	120	Hanoi
144	Two Workshops on Decrees to Implement Customs and X-M Duties Laws	Trade in Goods	Sep 05	MOF	200	Hanoi, Ho Chi Minh City
145	Two-Day Workshop on BTA/WTO Roadmap	General	Sep 05	MOJ	70	Hanoi
146	Workshop on Decree to Implement Law on Laws	Transparency	Sep 05	OOG	70	Hanoi
147	Workshop on Amending the Law on Complaints and Denunciations	Transparency	Sep 05	SPC/GI	70	Hanoi
148	Workshop on IPR Law	IPR	Oct 05	NOIP	10	Hanoi
149	Two-Day Workshop on Investment and Enterprise Laws	Investment	Oct 05	NA	100	Hanoi
150	Workshop on JEC and Study Tour to U.S.	IPR	Oct 05	MOJ	50	Hanoi
151	Workshop on Decrees to Implement the Commercial Law	Trade in Goods	Oct 05	MOT	100	Hanoi
152	Two Workshops on Local Official Gazettes	Transparency	Nov 05	OOG	200	Hanoi
<b>B.V Workshops Conducted in 2006</b>						
153	Workshop on Ordinance on Procedures for Settling Administrative Cases	Transparency	Jan 06	SPC	50	Hanoi
154	Release Workshop on the FDI Report	General	Feb 06	MPI	70	Ho Chi Minh City
155	Two Workshops on Law on Standards and TRs	Trade in Goods	Feb 06	MOST	200	Hanoi/Ho Chi Minh City

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
156	Two Workshops on Judgment Enforcement Code	IPR	Feb 06	IAC	150	Hanoi
157	Workshop on Judgment Enforcement Code with Businesses	IPR	Feb 06	VCCI	100	Hanoi
158	Three-Day Workshop on Developing a Comprehensive Law on Laws, Law on Administrative Procedures, and Omnibus Law	General	Feb 06	MOJ	50	Hanoi
159	Workshop on Judgment Enforcement Code for National Assembly Deputies	IPR	Mar 06	NA	20	Hanoi
160	Technical Workshop on Judgment Enforcement Code with Drafting Team	IPR	Mar 06	MOJ	40	Hanoi
161	Technical Workshop for Senior Officials on Establishing Administrative Tribunals	Transparency	Mar 06	GI	50	Hanoi
162	Two Workshop on Establishing Administrative Tribunals in Vietnam	Transparency	Mar 06	GI	150	Hanoi, Ho Chi Minh City
163	Workshop on Establishing Administrative Tribunals with Lawyers and Businesses	Transparency	Mar 06	VLA	80	Hanoi
164	Two Training Workshops for Local Officials on New Circular on Local Official Gazette	Transparency	Mar 06	OOG	300	Hanoi, Ho Chi Minh City
165	Two-Day Workshop on Developing a New Law on Administrative Procedures	General	Mar 06	MOJ	60	Hanoi
166	Retreat on Law on IT	IPR	Mar 06	NA	50	Thanh Hoa
167	Two-Day Workshop on IPR for Judges	IPR	Apr 06	SPC	60	Danang
168	Technical Workshops on the Decree to Implement the Law on Complaints and Denunciations	Transparency	May 06	GI	50	Haiphong
169	Public Workshop on the Decree to Implement Law on Complaints and Denunciations	Transparency	May 06	GI	60	Hanoi

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
170	Workshop on Transparency Report	Transparency	May 06	NA	70	Cua Lo
171	Two Public Workshops on the Decree on Secured Transactions	General	May 06	MOJ	140	Hanoi/Ho Chi Minh City
172	Two Technical Workshops on Secured Transactions	General	May 06	MOJ	60	Haiphong/Ho Chi Minh City
173	Technical Workshop on Secured Transactions	General	Jun 06	MOJ	40	Cua Lo
174	Retreat on Judgment Enforcement Code	IPR	Jun 06	MOJ	40	Cat ba
175	Two Workshops on the Decree to Implement the Law on Complaints and Denunciations	Transparency	Jun 06	GI	100	Danang/Ho Chi Minh City
176	Two Workshops on the Decree on State Management of FDI to Implement the Investment and Enterprise Laws	Investment	Jun 06	MPI	70	Hanoi
177	Training Course on IPR for Judges	IPR	Jun 06	SPC	60	Vinh
178	Workshop for Senior Officials of Hanoi on WTO (US/VN bilateral agreement)	General	Jul 06	NCIEC	300	Hanoi
179	Technical Workshop on Economic Report	General	Jul 06	CIEM	8	Hanoi
180	Workshop on the Impact of the BTA on NA	General	Aug 06	NA	20	Hanoi
181	Workshop on the Impact of the BTA on Legal Practice	General	Aug 06	MOJ	70	Hanoi
182	Three Public Workshops on the Law on Technology Transfer	IPR	Aug 06	MOST	200	Hanoi/Da Nang/Ho Chi Minh City
183	Workshop on IPR Enforcement for Businesses	IPR	Aug 06	Hanoi	70	Hanoi
184	Workshop on Securities Decrees	Investment	Aug 06	SSC	200	Hanoi/Ho Chi Minh City
185	Training Course on Inspection and Examination	Investment	Aug 06	SSC	70	Hanoi
186	Training Course on IPR for Judges	IPR	Aug 06	SPC	70	Can Tho
187	Two Training Courses on IPR Enforcement for Judges	IPR	Aug 06	SPC	120	Hanoi/Ho Chi Minh City
188	Two Training Courses on IPR Enforcement for Prosecutors	IPR	Aug 06	SPP	150	Hanoi/Ho Chi Minh City

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
189	Training Workshop on the New Ordinance on Procedures for Handling Administrative Cases	Transparency	Sep 06	SPC	50	Nha Trang
190	Workshop on Economic Report	General	Sep 06	CIEM	50	Hanoi
191	Workshop on Secured Transactions Decree	General	Sep 06	MOJ	25	Vinh Phuc
192	Technical Workshop on Law on Notary	General	Sep 06	MOJ	40	Hai Phong
193	Public Workshop on Law on Notary	General	Oct 06	MOJ	100	Hanoi
194	Workshop on Organization of Procuracy	IPR	Oct 06	SPP	250	Hanoi
195	Two Workshops on the Decree on Standards and Technical Regulations	Trade in Goods	Oct 06	MOST	100	Hanoi/Ho Chi Minh City
196	Two Workshops on Law on Quality of Goods	Trade in Goods	Oct 06	MOST	120	Hanoi/Ho Chi Minh City
197	Technical Workshops on Decrees on Civil and Criminal IPR Enforcement	IPR	Oct 06	SPC	10	Hanoi
198	Two Workshops on WTO Accession for NA	General	Nov 06	NA	100	Hanoi/Ho Chi Minh City
199	Week-long Training Course on Examination and Inspection of Securities Operations	Investment	Dec 06	SSC	50	Hanoi
200	Technical Workshop on Regulation on Inspection and Examination of Securities Operations	Investment	Dec 06	SSC	15	Hanoi
201	Workshop on Foreign Bank Circular	Trade in Services	Jan 07	SBV	50	Ho Chi Minh City
202	Two Public Workshops to Review the Law on Credit Institutions and Law on State Bank	Trade in Services	Jan 07	SBV	200	Hanoi
203	Two Public Workshops to Review the Law on Credit Institutions and Law on State Bank	Trade in Services	Jan 07	SBV	200	Ho Chi Minh City
204	Technical Workshop on the Draft Report on the Impact of the BTA on VN's Legal System	General	Jan 07	MOJ	50	Hanoi
205	Public Workshop on a New Law on Arbitration	General	Jan 07	MOJ	100	Hanoi

No.	Activities	BTA Relation	Time	Counter-parts*	Partici-pants	Places
206 <sup>12</sup>	Three-day Technical Workshop on Circulars on Civil and Criminal Enforcement of IPR	IPR	Jan 07	SPC	65	Ha Long

### C. References and Publications

No.	Activities	BTA Relation	Time	Counter-parts*	Number Published
1	Investment Guidebook	Investment	2002	MPI	6,000
2	Doing Business with the U.S.	General	2002	VCCI	2,000
3	U.S. Customs Procedures for Imports	General	2002	VCCI	2,000
4	Annual Economic Report on BTA Impact for 2002	General	2003	CIEM	6,500
5	Semi-Annual Trade Update for the First Six Months of 2003	General	2003	CIEM	2,000
6	BTA Regulatory Analysis	General	Internal Doc.	STAR/MOJ	
7	NA Legislative Development Report for the BTA and WTO	General	2003	ONA	2,000
8	Special Issue for Lawyers on the BTA	General	2003	MOJ	4,000
9	BTA and Mechanisms for Handling Administrative Complaints	Transparency	2004	SI	3,000
10	Understanding the Law on Laws	Transparency	Stopped	MOJ	
11	Technical Guidebook for Examination of LNDs	Transparency	2004	MOJ	2,000
12	BTA Online Forum	Transparency	2004	VCCI	Internet
13	Publication of Court Decisions and Analysis (2 Vols)	Transparency	2005	SPC	4,000
14	Report on Commercial and Administrative Dispute Resolution	General	2005	IAC	Publication expected in 2007
15	Semi-Annual Trade Update for 2003	General	2004	CIEM	1,000
16	Annual Economic Report on BTA Impact for 2003/2004	General	Folded into five-year economic report	CIEM	
17	Economic Report on BTA Impact for the Northern Growth Pole	General		HISED	Stopped
18	Economic Report on BTA Impact for the Southern Growth Pole	General		IER	Stopped
19	Report on Telecommunication Services	Trade in services		CIEM	
20	Report on Financial Services	Trade in services		CIEM	

<sup>12</sup> If seminars or workshops conducted on the same topic but at different venues (say in Hanoi and HCMC) are counted, around 290 seminars and workshops were support by USAID/STAR.

No.	Activities	BTA Relation	Time	Counter-parts*	Number Published
21	Report on BTA for NA Deputies	General	2004	NA/CEBA	1,240
22	Roadmap for Implementing the BTA and Roadmap for WTO Accession	General	2006	MOJ	1,200
23	Q&A Book on Customs Valuation	Trade in goods	Stopped	Customs	Stopped
24	Electronic Official Gazette Roadmap	Transparency	2005	OOG	Submitted to OOG
25	The Impact of the BTA on Overall FDI and U.S. FDI	Investment	2005	MPI	2,000
26	Study into Securities Legislation in the Asia-Pacific Region	Investment	2004	SSC	Submitted to SSC
27	Study into Investment Legislation in the Asia-Pacific Region	Investment	2004	MPI	Submitted to MPI
28	Research for 17 Years of Investment of the Foreign Investment Law	Investment	2005	MPI	Submitted to MPI
29	Leaflet on IPR and IPR Enforcement	IPR	2004	Ho Chi Minh City	10,000
30	Issue Paper on Negotiable Instruments for NA	IPR	2005	NA/CEBA	600 - submitted to all NA Deputies
31	Issue Paper on IPR Law for NA	IPR	2005	NA	Submitted to NA
32	Leaflet on Online Forum	Transparency	2005	VCCI	5,000
33	Report on Transparency Commitments in the BTA and WTO for NA	Transparency	2006	ONA	1,000
34	Understanding the WTO	WTO	2006	NCIEC	1,000
35	Introduction to Trade in Services in the WTO	Trade in services	2006	NCIEC	1,000
36	Handbook on WTO Dispute Resolution	WTO	2006	NCIEC	1,000
37	Study on Impact of the BTA on Foreign Investment	General	2006/2007	FIA/MPI	Will be published in 2007 in a consolidated report
38	Study on Impact of the BTA on Trade and Economic Structure	General	2006/2007	CIEM/MPI	Will be published in 2007 in a consolidated report
39	Pilot E-Official Gazette Report	Transparency	2007	OOG	Will be submitted in 2007
40	Background Studies on the Impact of the BTA on Vietnam's Legal System	General	2006	MOJ and a number of other counterparts	Will support a major study to be released in 2007

#### D. Study Missions

No.	Activities	Main BTA Relevance	Time	Lead Agency*	Number of People
1	Study Mission to U.S. on Secured Transactions	Trade in goods	Oct 02	MOJ	3
2	Study Mission to China on Legal Services	Trade in services	Oct 02	MOJ	7
3	Study Mission for Judges to Thailand on IPR	IPR	Dec 02	SPC	9
4	Study Mission to U.S. on Court Administration for the Chief Justice of the SPC and Other Senior Judges	IPR	Oct 03	SPC	6
5	Study Mission to U.S. for National Assembly	General	Jul 03	NA	10
8	Study Mission to Southern Provinces on Publication of LNDs in Vietnam	Transparency	Jun 03	OOG	6
3	Study Mission to U.S. on UPOV	IPR	Aug 03	MARD	5
9	Study Mission to Southern Provinces on Commercial Dispute Resolution in Vietnam	Transparency	Oct 03	IAC	6
10	Study Mission to Thailand and Singapore on Commercial and Administrative Disputes	Transparency	Jan 04	IAC/SI	13
11	Study Mission to Nha Trang, Da Nang, Phan Thiet to Seek Comments of Businesses on 17 Years Implementing FIL	Investment	Apr 04	MPI	7
12	Study Mission to Ho Chi Minh City, Binh Duong, Dong Nai to Seek Comments of Businesses on 17 Years of Implementing FIL	Investment	Apr 04	MPI	7
13	Study Tour to Central and Southern Provinces on Local Official Gazettes	Transparency	Sep 04	OOG	5
14	Study Tour to Southern Provinces on IPR Enforcement	IPR	Oct 04	MOPS	4
15	Study Mission to Thailand on Optical Disk Regulations	IPR	Nov 04	MOCI, OOG	3
16	Study Mission to Danang, Ho Chi Minh City, Dong Nai and Binh Duong on the WTO/BTA Roadmap	General	Feb 05	MOJ	5
17	Study Mission to Binh Duong, Dong Nai, Vung Tau to Examine Customs Operations and Collection of Duties	Trade in goods	Apr 05	MOF	5
18	Study Mission to Dung Quat and Chu Lai Economic Zones to Examine Customs Operations and Collection of Duties	Trade in goods	Apr 05	MOF	5
19	Study Mission to the U.S.-SEC for Two-Week Training Program/Internship for the Dep. Dir. of the SSC	Investment	May 05	SSC	1
20	Study Mission to the U.S. on Administrative Law, Led by the National Assembly and with Senior Officials from the SPC and GI	Transparency	Jul 05	NA	13
21	Study Mission to the U.S. for the Drafting Team of the Enterprise Law, Consisting of Senior Officials from CIEM, MPI, MOJ, OOG and NA.	Investment	Jul 05	CIEM	6
22	Study Mission to the U.S. on the Securities Market Led by the SSC	Investment	Dec 05	SSC	7

No.	Activities	Main BTA Relevance	Time	Lead Agency*	Number of People
23	Study Mission to the U.S. on Plant Variety Protection	IPR	Dec 05	MARD	2
24	Study Mission to the U.S. on WTO and Trade Law Ratification and PNTR Processes	General	Aug 06	NA	10
25	Three Field Study Missions to Ho Chi Minh City on the Impact of the BTA on Local Government, Lawyers and Training Institutions	General	Jul-Aug 06	MOJ	10
26	Study Mission to the U.S. on SPS	Trade in goods	Aug 06	MARD	3
27	Study Tour to Singapore on the Law on Notary	General	Dec 06	NA	8
28	Study Mission to the U.S. for the Steering Committee	Trade in goods	Dec 06	OOG	12

**\* Counterparts Noted as a Lead Agency in Annex A:**

CEBA	Committee for Economic and Budgetary Affairs, NA
CS&T	Committee for Science and Technology, NA
CLAW	Committee for Law, NA
CFA	Committee for Foreign Affairs, NA
CIEM	Central Institute for Economic Management, MPI
COV	Copyright Office of Vietnam, MOCI
DOST	Department of Science and Technology, HCMC
HISED	Hanoi Institute for Social and Economic Development
IAC	Internal Affairs Commission, Communist Party
IER	Institute for the Economic Research, HCMC
MARD	Ministry of Agriculture and Rural Development
MOCI	Ministry of Culture and Information
MOF	Ministry of Finance
MOFA	Ministry of Foreign Affairs
MOJ	Ministry of Justice
MOPS	Ministry of Public Security
MOPT	Ministry of Post and Telecommunications
MOST	Ministry of Science and Technology
MOT	Ministry of Trade
MOTR	Ministry of Transport
MPI	Ministry of Planning and Investment
NA	National Assembly
NCIEC	National Committee for International Economic Cooperation
NOIP	National Office of Industrial Property, MOST
ONA	Office of the National Assembly, NA
OOG	Office of the Government
PMRC	Prime Minister Research Commission
SBV	State Bank of Vietnam
SI	State Inspectorate
SPC	Supreme People's Court
SPP	Supreme People's Procuracy
SSC	State Securities Commission
VLA	Vietnam Lawyer Association
VCCI	Vietnam Chamber of Commerce and Industry

# ANNEX B

## STAR BUDGET EXPENDITURES

(USAID Contribution/US\$)							
No.	Description	Total Budget	Estimate of Expenditures				
			2001–2002	2003	2004	2005	2006/2007
I	Technical Professional Input	7,881,626	960,728	1,597,736	1,680,978	1,793,773	1,848,411
1	International Professional Experts	7,077,758	896,614	1,427,342	1,493,478	1,577,963	1,682,361
2	Local Professional Experts	803,868	64,114	170,394	187,500	215,810	166,050
II	Programming and Project Administration	5,779,815	1,021,365	1,108,904	1,133,428	1,271,237	1,244,881
1	Programs with Counterparts	1,464,722	185,266	270,534	275,435	409,876	323,611
2	Administrative Expenses*	1,721,826	274,054	354,978	370,756	360,096	361,942
3	Allowance	1,148,781	233,007	220,456	220,987	221,072	253,259
4	International Travel	883,170	216,776	150,673	153,987	167,929	193,805
5	Legal Analysis	561,316	112,263	112,263	112,263	112,263	112,264
<b>Total</b>		<b>13,661,441</b>	<b>1,982,093</b>	<b>2,706,640</b>	<b>2,814,406</b>	<b>3,065,010</b>	<b>3,093,292</b>

\*Includes office rental, social insurance, salary for support staff, office supplies, equipment, communications, and other administrative spending. Note that 2006 includes estimated spending for September to December 2006.