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## EVALUATION

# USAID/Vietnam Governance for Inclusive Growth Program Trade Facilitation Activities: Performance Evaluation

**January 2017**

This publication was produced at the request of the United States Agency for International Development for the E3 Analytics and Evaluation Project, in collaboration with the Vietnam Evaluation, Monitoring and Survey Services project. It was prepared independently by Management Systems International, A Tetra Tech Company; and Development and Training Services.

# **USAID/VIETNAM GOVERNANCE FOR INCLUSIVE GROWTH PROGRAM TRADE FACILITATION ACTIVITIES**

## **PERFORMANCE EVALUATION**

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### **DISCLAIMER**

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

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# ACRONYMS

|         |  |
|---------|--|
| AEO     | Authorized Economic Operator                                   |
| AMCHAM  | American Chamber of Commerce in Vietnam                        |
| ASEAN   | Association of Southeast Asian Nations                         |
| BTA     | Bilateral Trade Agreement                                      |
| CBP     | U.S. Customs and Border Protection                             |
| CIEM    | Central Institute of Economic Management                       |
| COAC    | Advisory Committee on Commercial Operations (USA)              |
| DOS/EAP | U.S. Department of State's East Asia Pacific Bureau            |
| E3      | Bureau for Economic Growth, Education, and Environment (USAID) |
| FTA     | Free Trade Agreement   |
| GDVC    | General Department for Vietnamese Customs                      |
| GIG     | Governance for Inclusive Growth (USAID)                        |
| HAWA    | Handicraft and Wood Association (Vietnam)                      |
| HAWEE   | HCMC Association of Women Executives and Entrepreneurs         |
| HCMC    | Ho Chi Minh City   |
| LEFASO  | Vietnam Leather and Footwear Association                       |
| MARD    | Ministry of Agriculture and Rural Development                  |
| MOF     | Ministry of Finance (Vietnam)                                  |
| MOH     | Ministry of Health (Vietnam)                                   |
| MOIC    | Ministry of Information and Communication (Vietnam)            |
| MOIT    | Ministry of Industry and Trade (Vietnam)                       |
| MOJ     | Ministry of Justice (Vietnam)                                  |
| MOT     | Ministry of Transportation (Vietnam)                           |
| MPI     | Ministry of Planning and Investment (Vietnam)                  |
| MSI     | Management Systems International                               |
| NAFTA   | North American Free Trade Agreement                            |
| NCTF    | National Committee on Trade Facilitation                       |
| OOG     | Office of Government (Vietnam)                                 |
| PMU     | Program Management Unit (GIG)                                  |
| RIA     | Regulatory Impact Assessment                                   |
| RMD     | Risks Management Department (GDVC)                             |
| RTA     | Regional Trade Agreement                                       |
| SME     | Small and Medium-Sized Enterprise                              |
| SRV     | Socialist Republic of Vietnam                                  |
| STAMEQ  | Directorate for Standards, Metrology, and Quality (Vietnam)    |
| TBT     | Technical Barriers to Trade                                    |
| TFA     | Trade Facilitation Agreement (WTO)                             |
| TPP     | Trans-Pacific Partnership                                      |
| USAID   | United States Agency for International Development             |

|         |   |
|---------|---|
| VCCI    | Vietnam Chamber of Commerce and Industry            |
| VEMSS   | Vietnam Evaluation, Monitoring, and Survey Services |
| VINASME | Vietnam Association of SMEs                         |
| VITAS   | Vietnam Textile and Apparel Association             |
| VTFA    | Vietnam Trade Facilitation Alliance                 |
| WTO     | World Trade Organization                            |

# EXECUTIVE SUMMARY

## Evaluation Purpose and Questions

The Office of Trade and Regulatory Reform in the United States Agency for International Development’s Bureau for Economic Growth, Education, and Environment (USAID/E3/TRR), in collaboration with the U.S. Department of State’s East Asia Pacific Bureau (DOS/EAP) and USAID/Vietnam, commissioned this midterm performance evaluation of the trade facilitation activities by USAID/Vietnam’s Governance for Inclusive Growth (GIG) Program. The E3 Analytics and Evaluation Project and the USAID/Vietnam Evaluation, Monitoring and Survey Services Project jointly conducted the evaluation. It is intended to provide USAID/Vietnam, USAID/E3/TRR, and DOS/EAP with information and analysis to better understand trade facilitation issues and more effectively prioritize corresponding technical assistance under GIG, any successor projects, and related economic diplomacy.

The evaluation answers the following evaluation questions (EQs), per the approved Statement of Work:

1. Did GIG strengthen Vietnam’s legal and regulatory framework in compliance with its international commitments under the U.S.-Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO), and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?
  - a. Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?
2. Is GIG progressing on its objective to build Vietnam border agencies’ capacity for trade facilitation? (See GIG activity content for scope of “capacity.”) If so, how and to what extent?
  - a. Have GIG’s trainings, workshops, field visits, and other capacity-building activities resulted in sustainable capacity for Vietnam’s border agencies (including GDVC and others), with respect to trade facilitation? If so, which types of interventions have been most effective?
3. Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?
  - a. Is there any geographic variation to GIG’s achievement of this objective among Hanoi, Ho Chi Minh City, and other regions? If so, what factors have led to these differences?
  - b. Has GIG’s communications campaign surrounding Resolution 19 changed targeted audiences’ awareness and support for reforms to improve Vietnam’s business environment? If so, how and for whom — including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups?

## GIG Background, Objectives, and Structure

The Socialist Republic of Vietnam (SRV) has made great strides in economic and institutional reforms over the last 20 years. The reforms have engendered strong economic growth, political openness, and rapid social development. Building on USAID’s previous support for these reforms and Vietnam’s accession to the WTO in 2007, GIG is collaborating with the SRV, the private sector, and civil society to strengthen government policymaking and implementation, while cultivating a more participatory environment that includes all of Vietnam’s citizens. The development hypothesis underlying the GIG activities is that if governance is enhanced by improving policy- and rule-making — particularly in areas relevant to inclusion and improved accountability — then Vietnam will make greater gains in broad-based, sustainable growth for its citizens.

GIG has three integrated and overlapping components:

- **Component 1:** Improving legal and regulatory frameworks through a dynamic, inclusive policymaking process. Activities under this component are intended to improve the quality of laws and regulations by addressing deficiencies in both the flow of new regulations and the stock of existing regulations.
- **Component 2:** Improving accountability of public institutions. This component seeks to support more effective public administration and financial management by strengthening oversight, accountability and transparency.
- **Component 3:** Improving inclusion and equality for marginalized groups. Under this component, GIG assists with the identification and reduction of legal and regulatory barriers for women, ethnic minorities, and other vulnerable groups through providing technical assistance to stakeholders, including government agencies, civil society organizations, and SME communities.

This evaluation covers only the GIG activities that are related to facilitation of international trade. The majority of these activities fall under Component 1, although several also fall under components 2 and 3.

## Evaluation Methodology

### Evaluation Design

The evaluation team used contribution analysis to assess the extent of GIG's contribution to an improved legal and regulatory framework for trade, improved consultation and dissemination of information in support of a stronger trade regime, increased capacity in Vietnam's border agencies, and increased awareness by key government and private sector stakeholders of Resolution 19 — a government mandate to improve the business environment. For each EQ pertaining to these issues, the evaluation team articulated descriptions of how GIG activities would produce positive changes, assessing whether these changes could be observed and how much GIG contributed to them with regard to other factors.

#### **Resolution 19: Improving Business Environment and National Competitiveness**

In March 2014, the Government of Vietnam issued Resolution 19 — a mandate to Vietnamese government ministries and agencies to improve the business environment, reduce the time and cost of doing business in Vietnam, and improve Vietnam's Doing Business ranking. Resolution 19 has since been revised and reissued on two occasions, in 2015 and 2016.

To address EQ 2a, the evaluation team assessed GIG capacity-building interventions against six factors commonly associated with the sustainability of international development interventions.<sup>1</sup> The determination of whether capacity-building achievements will likely be sustained was made holistically and not on the basis of satisfying any specific number of factors.

### Data Collection and Sampling

To address the EQs, the evaluation team undertook secondary analysis of program documents and conducted semi-structured key informant and group interviews in Hanoi, Ho Chi Minh City (HCMC), and Da Nang with GIG stakeholders, including USAID, GIG staff, central and provincial government officials, representatives of trade and industry associations, representatives of commercial enterprises, and journalists. Primary research occurred in four phases: preliminary scoping research in April 2016;

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<sup>1</sup> Policy, Ownership, Management, Training, Financial, and Technology.



primary field research in both June and July 2016; and a telephone structured survey of participants in GIG-sponsored consultation and dissemination activities in September 2016.

The evaluation team employed purposive sampling for semi-structured and group interviews, with stakeholders identified through a review of GIG documentation and consultations with GIG staff and USAID/Vietnam. Selection criteria focused on ensuring geographic coverage — locations were selected for research with provincial stakeholders in one municipality in central and southern Vietnam — as well as coverage of national and sub-national levels of project beneficiaries and informed stakeholder groups.

## Summary Evaluation Findings and Conclusions

### **EQ 1: Did GIG strengthen Vietnam’s legal and regulatory framework in compliance with its international commitments under the U.S.–Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO), and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?**

Over the past three years, Vietnam significantly strengthened its legal and regulatory framework for trade facilitation in line with its international commitments, including its commitments under the U.S.-Vietnam BTA and WTO agreements. In so doing, the country received substantial technical assistance from GIG. By collaborating with the General Department for Vietnam Customs (GDVC), other government entities, and the Vietnam Chamber of Commerce and Industry (VCCI) to conduct public consultation and information dissemination events and field visits, providing written comments on draft new/revised laws and regulations and preparing assessment reports, GIG helped the SRV draft laws and regulations related to trade facilitation that complied with international agreements. As of end-October, 2016, most of these laws and regulations were enacted, while others had not yet been enacted for reasons beyond GIG’s control. GIG also helped Vietnam fulfill its first notification obligation under the TFA and facilitated the ratification of the TFA by the country’s parliament. However, the enforcement of laws and regulations, including those related to trade facilitation, remains relatively weak, due in part to limited capacity of many government agencies, especially at the local level.

### **EQ 1a: Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?**

Public consultations and dissemination of information on laws, regulations, and international agreements related to trade facilitation improved markedly. GIG contributed to these improvements by conducting — with various government entities — numerous public consultation and information dissemination events (such as conferences and workshops), inviting many people from the business community, decision-making government officials, and journalists to these events, ensuring two-way communication between government agencies and the business community during the events, and organizing field visits by government officials. GIG, but not its partner government entities, made a particular effort to involve small and medium-sized enterprises (SMEs) and firms owned by women and other disadvantaged groups in GIG-supported public consultation and information dissemination events. Thanks largely to GIG’s efforts, SMEs and firms owned by women accounted for a large portion of the companies whose employees attended these events. Firms owned by ethnic minorities made up a small percentage of these companies.

Many of the key informants interviewed by the evaluation team touted GIG-supported public consultation and information dissemination events. Most representatives of the business community who attended these events and participated in the survey conducted as part of this evaluation expressed the

view that the events were effective in providing the business community with an opportunity to comment on draft laws and regulations pertaining to trade facilitation and/or informing the business community about existing laws, regulations, and international agreements relating to trade facilitation. At the same time, several key informants made critical remarks about GIG-supported events. Some stated that GIG was too “event-focused” and not sufficiently results-oriented. Furthermore, some participants of GIG-supported events indicated in event evaluation forms that presentations were too long and discussion and question-and-answer (Q&A) sessions were too brief during the events they attended.

**EQ 2: Is GIG progressing on its objective of building Vietnam border agencies’ capacity for trade facilitation? (See GIG activity content for scope of “capacity.”) If so, how and to what extent?**

GIG undertook a relatively small number of activities, such as technical workshops and field visits that entailed strengthening SRV border agencies’ capacity for trade facilitation. The GDVC was the only beneficiary or one of the primary beneficiaries of most of these activities. The other border agencies, including those responsible for specialized management of exports and imports, received limited or no capacity-building assistance from GIG, in part because many had not been designated as primary or ad hoc GIG counterparts and GIG cannot directly provide technical assistance to a government agency in that case. Furthermore, head offices of the beneficiary border agencies benefited from GIG’s assistance in capacity building more than their local units did. Accordingly, GIG made uneven progress in strengthening SRV border agencies’ capacity for trade facilitation, with greater progress at the GDVC than at the other border agencies and more progress at the central level than at the local level.

**EQ 2a: Have GIG’s trainings, workshops, field visits, and other capacity-building activities resulted in sustainable capacity for Vietnam’s border agencies (including GDVC and others) with respect to trade facilitation? If so, which types of interventions have been most effective?**

Strengthened capacity for trade facilitation is likely to be sustained within the head office of the GDVC due to the high levels of ownership and political and financial commitment in this institution. However, capacity established among other key government entities involved in trade facilitation, including agencies responsible for specialized management of exports and imports and local units of the GDVC, are less likely to be sustained due primarily to lower levels of participation and/or institutional ownership. Given GIG’s small number of capacity-building activities, it is impossible to establish with reasonable certainty which types of activities have been most effective in building sustainable capacity for trade facilitation at Vietnam’s border agencies.

**EQ 3: Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?**

Collaboration between the GDVC and the business community increased considerably during the past several years. GIG contributed to this outcome in particular by conducting — with the GDVC, other government entities, and partner business associations — several workshops on partnerships between Customs and business and many other events that brought customs officials and representatives of the business community together. GIG also helped ensure that the business community actively took part in these events and that there was genuine two-way communication between the GDVC and the business community during the events.

In addition, GIG helped set up and finances the activities of the Vietnam Trade Facilitation Alliance (VTFA), which became a fairly effective mechanism for partnership between the GDVC and the business community on matters related to trade facilitation. The VTFA also provided many women-owned businesses with technical assistance in becoming suppliers to global supply chains.

**EQ 3a: Is there any geographic variation to GIG’s achievement of this objective among Hanoi, HCMC, and other regions? If so, what factors have led to the differences?**

GIG’s activities facilitating partnerships between Vietnam Customs and the business community are concentrated in Hanoi, HCMC, and the provinces near these cities. The main reasons are that the GDVC’s head office is in Hanoi; the head offices of most business associations are in Hanoi or HCMC; and Hanoi, HCMC, and the neighboring provinces account for the bulk of Vietnam’s exports and imports.

**EQ 3b: Has GIG’s communications campaign surrounding Resolution 19 changed targeted audiences’ awareness of and support for reforms to improve Vietnam’s business environment? If so, how and for whom — including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups?**

GIG provided strong support to the SRV-led communication campaign surrounding Resolution 19. In collaboration with the Central Institute of Economic Management (CIEM) of the Ministry of Planning and Investment (MPI) and other government entities, GIG conducted about two dozens of workshops and a number of field visits that at least partly focused on Resolution 19. Large numbers of central and local government officials, representatives of the business community, and journalists attended the workshops. Furthermore, GIG directly or indirectly contributed to numerous media reports on Resolution 19.

The awareness of and support for reforms envisaged in Resolution 19 within government agencies, especially central government agencies, and the general public increased. However, it was not possible to determine the extent to which GIG contributed to this outcome. The main reason is that many key informants could not distinguish GIG-supported communication events and media reports on Resolution 19 from other events and media reports on the resolution, and could not say to what degree GIG-supported communication events and media reports helped increase their awareness of and support for reforms envisaged in Resolution 19. At the same time, some key informants indicated that GIG-supported workshops were the most effective means of communicating information about Resolution 19, as specific information useful to stakeholders was usually disseminated at these workshops.

## Recommendations

The evaluation team recommends that:

1. USAID and the GIG Program Management Unit (PMU) should rebalance the area focus of GIG’s trade facilitation activities from strengthening the legal and regulatory framework toward undertaking additional capacity building at border agencies.
2. In supporting the implementation of Resolution 19, GIG/USAID should focus more on strengthening the capacity of government agencies — especially at the local level — to implement the reforms envisaged in the resolution, including those aimed at reducing the time and cost of trading across borders.
3. USAID and the PMU should collaborate with other donors and pertinent government agencies to develop and agree on a comprehensive program of technical assistance in capacity-building for trade facilitation, possibly based on the proposed list of Vietnam’s Category C commitments under the TFA.
4. GIG/USAID should provide more technical assistance (particularly capacity-building assistance) to the government agencies responsible for specialized management of exports and imports.

5. In providing capacity-building technical assistance to the GDVC and other border agencies, GIG/USAID should continue to facilitate partnerships of Vietnamese border agencies with their U.S. counterparts and to engage domestic and international experts who can provide information and share insights on international best practices.
6. When providing capacity-building technical assistance to border agencies, GIG/USAID should make more effort to ensure that its assistance will result in sustained strengthening of the capacity of the border agencies for trade facilitation.
7. GIG/USAID should try to develop appropriate indicators for monitoring and evaluation of the outcomes of its capacity-building assistance to border agencies, and regularly collect data on these indicators.
8. GIG and the PMU should streamline internal procedures to reduce the time needed for approval of requests for particular technical assistance and respond faster to such requests.
9. GIG should try to resume collaboration with the VCCI in conducting annual business perception surveys on customs procedures, try to expand the scope of the survey to include specialized management of exports and imports, and try to include questions on the impacts of GIG's trade facilitation activities (including capacity-building activities) in the survey questionnaire.
10. GIG should make greater efforts to involve firms owned by ethnic minorities in public consultations, information dissemination events, and field visits on laws, regulations, and international agreements related to trade facilitation, as well as keep a record of the participation of SMEs and firms owned by women, ethnic minorities, and other disadvantaged groups in these events.
11. GIG should ensure that sufficient time is allotted for discussions and Q&A sessions during GIG-supported public consultation and information dissemination events.
12. GIG/USAID should rebalance the geographical focus of the support for trade facilitation (including support for capacity-building and government-business partnerships) away from the northern and southern parts of Vietnam and toward the center of the country to help central provinces reduce the time and costs of trading across borders and increase their involvement in international trade. This will help make Vietnam's economic development geographically more inclusive.

# INTRODUCTION

This report provides the findings, conclusions, and recommendations of a midterm performance evaluation of GIG's trade facilitation activities. The first section of the report describes the purpose of the evaluation, presents the evaluation questions, and provides background information about GIG. The second section explains the methodology of this evaluation and its limitations. The third section presents the findings and conclusions of the evaluation. The last section presents the evaluation team's recommendations.

## Evaluation Purpose and Scope

The Office of Trade and Regulatory Reform in the United States Agency for International Development's Bureau for Economic Growth, Education, and Environment (USAID/E3/TRR), in collaboration with the U.S. Department of State's East Asia Pacific Bureau (DOS/EAP) and USAID/Vietnam, commissioned this midterm performance evaluation of GIG. The evaluation was conducted jointly by the E3 Analytics and Evaluation Project<sup>2</sup> and the USAID/Vietnam Evaluation, Monitoring and Survey Services (VEMSS) project.<sup>3</sup> It covered only the GIG activities that are related to facilitation of international trade. The period covered by the evaluation is from December 12, 2013 to March 31, 2016. The approved Statement of Work (SOW) for the evaluation is included as Annex A.

The evaluation is intended to provide USAID/Vietnam, USAID/E3/TRR, and DOS/EAP with information and analysis to better understand trade facilitation issues and more effectively prioritize corresponding technical assistance under GIG, any successor projects, and related economic diplomacy. This effort will yield a more informed approach for DOS and USAID to support the U.S. Government's trade-related goals, including under the Trans-Pacific Partnership (TPP) agreement.

## Evaluation Questions

Per the approved SOW in Annex A, this study answers the following evaluation questions (EQs):<sup>4</sup>

1. Did GIG strengthen Vietnam's legal and regulatory framework in compliance with its international commitments under the U.S.-Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO), and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?
  - a. Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?
2. Is GIG progressing on its objective to build Vietnam border agencies' capacity for trade facilitation? (See GIG activity content for scope of "capacity.") If so, how and to what extent?
  - a. Have GIG's trainings, workshops, field visits, and other capacity-building activities resulted in sustainable capacity for Vietnam's border agencies (including GDVC and others) with respect to trade facilitation? If so, which types of interventions have been most effective?

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<sup>2</sup> Team lead Management Systems International (MSI) implements the E3 Analytics and Evaluation Project in partnership with Development and Training Services and NORC at the University of Chicago.

<sup>3</sup> MSI implements VEMSS.

<sup>4</sup> The EQs in this report differ from those in the SOW in Annex A. USAID provided written approval on April 21, 2016, to remove EQs 1(b) and 4 from the original SOW. This approval is attached as Exhibit 1 to Annex A.

3. Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?
  - a. Is there any geographic variation to GIG's achievement of this objective among Hanoi, Ho Chi Minh City, and other regions? If so, what factors have led to these differences?
  - b. Has GIG's communications campaign surrounding Resolution 19 changed targeted audiences' awareness of and support for reforms to improve Vietnam's business environment? If so, how and for whom — including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups?

USAID and DOS/EAP also requested recommendations on how GIG could more strategically and proactively prioritize aspects of technical assistance to the GDVC and other SRV counterparts and more general recommendations on improving GIG.

## Background and Rationale for GIG Trade Facilitation Activities

Vietnam's opening to international trade over the last 20 years has been one of the most important drivers of its rapid economic growth, political progress, and social development, including significant improvements in household incomes and the achievement of the lower-middle-income status.

With an economy that is relatively open and integrated into global markets, many view the quality of economic governance as a significant constraint to Vietnam's long-term competitiveness and sustainable economic growth. Failing to transform its economic governance will leave Vietnam vulnerable to further shocks, inflation and growth that is insufficient to generate necessary new employment opportunities for its population, 20.7 percent of which has not yet been lifted out of poverty. A continued lack of transparency, accountability, and public participation in the promulgation of laws and regulations that impact socio-economic development remains a central challenge.

The SRV has established a program for reform to deepen Vietnam's impressive economic and institutional reforms and promote democracy by focusing on competitiveness in the business environment, rule of law, accountability, and transparency. USAID has been a partner with the SRV in these reform efforts, including through programs such as the Support for Trade Acceleration I, II, and Plus projects and the Vietnam Competitiveness Initiative (VNCI) I and II projects. These projects have yielded concrete changes in Vietnam's regulatory and legal environments, which have been critical to the implementation of the country's bilateral and WTO commitments.

## GIG Program Overview

GIG collaborates with the SRV, the private sector, and civil society to strengthen government policymaking and implementation while cultivating a more participatory environment that includes all of Vietnam's citizens. Chemonics implements the program, which has a period of performance from December 2013 to December 2018 and a total estimated ceiling of \$42 million. It is active in five cities/provinces, including Hanoi, Hai Phong, Ho Chi Minh City, Binh Duong, and Dong Nai

GIG has three integrated and overlapping components:

- **Component I:** Improving legal and regulatory frameworks through a dynamic, inclusive policymaking process. Activities under this component are intended to improve the quality of laws and regulations by addressing deficiencies in both the flow of new regulations and the stock of existing regulations.

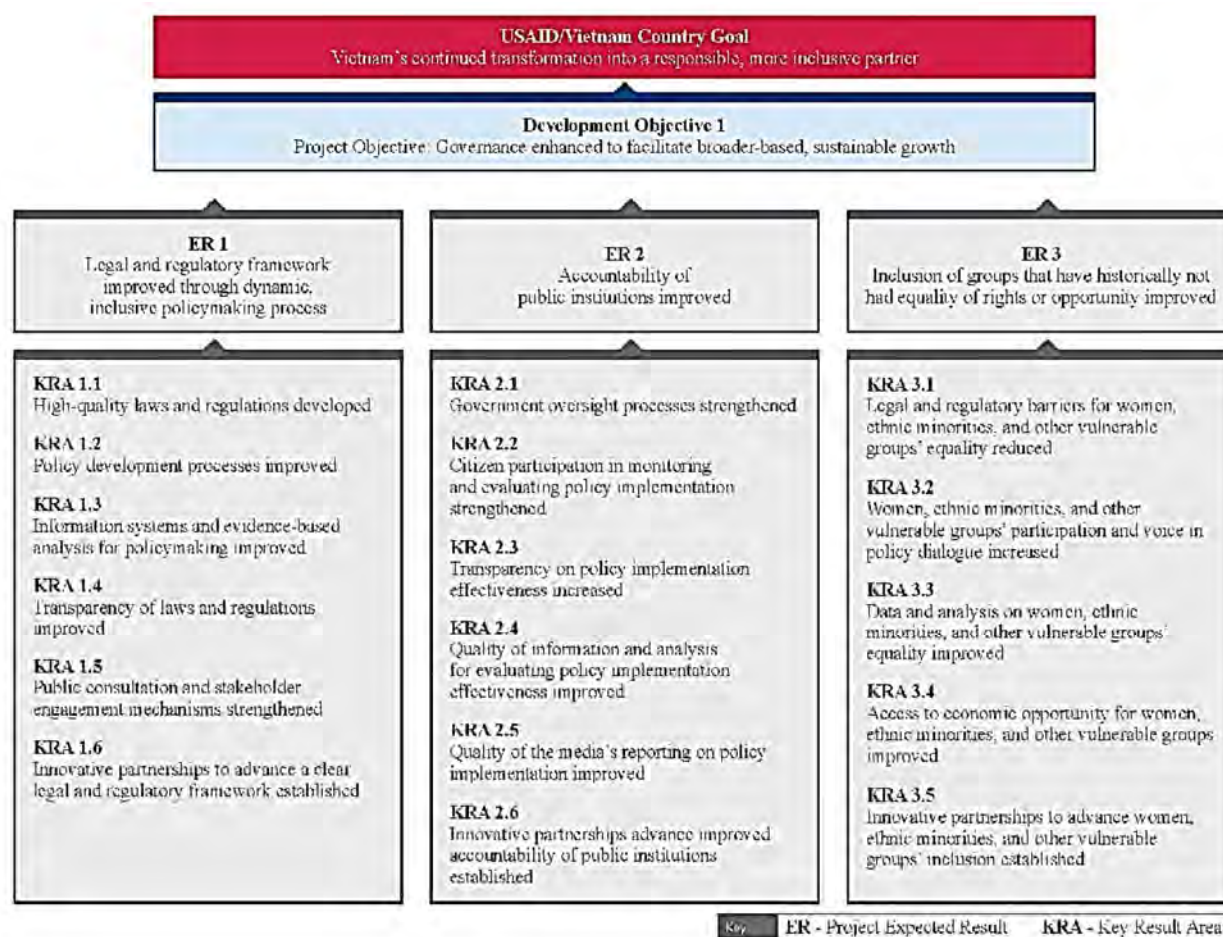
- **Component 2:** Improving accountability of public institutions. This component seeks to support more effective public administration and financial management by strengthening oversight, accountability, and transparency.
- **Component 3:** Improving inclusion and equality for marginalized groups. Under this component, GIG assists with the identification and reduction of legal and regulatory barriers for women, ethnic minorities, and other vulnerable groups through technical assistance to stakeholders including government agencies, civil society organizations, and SME communities.

The majority of the GIG trade-facilitation activities fall under Component 1, although several activities also fall under components 2 and 3.

## GIG Results Framework

As Figure 1 shows, GIG’s development hypothesis is that if governance is enhanced by improving policy- and rule-making, particularly in areas relevant to inclusion and improved accountability, then Vietnam will make greater gains in broad-based, sustainable growth for its citizens.

**FIGURE 1: GIG RESULTS FRAMEWORK**



# EVALUATION DESIGN AND METHODOLOGY

## Evaluation Design

The evaluation team used contribution analysis to better understand whether GIG activities have contributed to observed changes relating to all but one of the EQs. Evaluation Question 2a, which relates to the sustainability of capacity-building activities, was addressed using an alternative evaluation approach. Both approaches are described below.

### Contribution Analysis

Each of the GIG activities is premised on an implicit or explicit *theory of change*, or a logical description of how the activities will yield specific results/changes. Contribution analysis involves assessing whether any results/changes are observable and how much the program has contributed, vis-à-vis other factors, to these results/changes.

Following an evaluation team member's scoping trip to meet with GIG staff in April 2016, the evaluation team developed draft theories of change relating to activities under each of the EQs. Summaries of these theories follow.

- **Strengthening the legal/regulatory framework for trade (EQ 1/1a):** GIG provided support to help SRV ministries identify changes in the legal/regulatory framework required by free trade agreements and obtain feedback from trade facilitation experts and the private sector. SRV ministries, possessing greater understanding of private sector needs and concerns, would enact and/or amend laws, regulations, and procedures that comply with FTA commitments and better facilitate cross-border trade, thus strengthening the legal/regulatory framework.
- **Building capacity for trade facilitation (EQ 2):** GIG provided training to select Vietnam border agencies' staff on new practices and approaches required by WTO-TFA and other WTO agreements. These staff will apply them and train their colleagues on the new practices, thus exhibiting greater capacity in trade facilitation.
- **Facilitating partnerships for a strong business environment for international trade (EQ 3/3a):** GIG supported the development of partnerships between Vietnamese businesses and business institutions, partially through financial support. These partnerships will provide a mechanism for the larger business community to communicate their concerns and interests to the GDVC and influence the establishment of a better environment for cross-border trade.
- **Building awareness for the reform mandate to improve the business environment (EQ 3b):** GIG conducted a communications campaign to inform government officials, the business community, and the citizenry about the Resolution 19 reform mandate for government ministries to improve the business environment. The resulting increased awareness would yield greater internal and external support for and incentives to improve regulations and practices to facilitate cross-border trade and resolve trade issues.

To address the EQs relating to these GIG objectives, the evaluation team collected data to assess whether the anticipated results in the theories of change have been achieved and/or whether factors extraneous to the program have significantly influenced the achievement of the results, and developed narratives to explain the results in terms of GIG's contributions, strengthening and refining the narrative where possible during the latter stages of the research.



## Sustainability Analysis<sup>5</sup>

To address EQ 2a, the evaluation team assessed GIG capacity-building interventions against factors commonly associated with the sustainability of international development interventions. The evaluation team identified six factors or conditions likely to influence the continued use of trade facilitation practices by Vietnamese government institutions.<sup>6</sup> Table I outlines a description of these factors.

**TABLE I: SUSTAINABILITY FACTORS**

|                                      |   |
|--------------------------------------|---|
| <b>Policy</b>                        | Support is consistent with and supported by relevant government sectoral policies.  |
| <b>Participation &amp; Ownership</b> | Local stakeholders support the intervention, which responds to clearly expressed local needs.   |
| <b>Management &amp; Organization</b> | The project was cognizant of the capacities of local actors and incorporated sustainability as a key aspect of project delivery.                              |
| <b>Training Needs</b>                | The project assessed the training needs of project stakeholders and developed training that addressed these needs.  |
| <b>Financial</b>                     | Host institutions are capable of and committed to meeting the ongoing costs associated with the use of new practices.   |
| <b>Technology</b>                    | New technology/software provided by the project is appropriate for the required tasks and the project has accounted for any ongoing training and maintenance. |

The primary methods used to assess these factors were key informant interviews and a review of GIG documentation. While data were collected and analyzed across each of the domains, this was not a formulaic exercise and was not applied as a checklist. The determination as to whether capacity-building achievements will likely be sustained was made holistically, and not on the basis of satisfying any specific number of research questions.

## Evaluation Team

The evaluation team comprised core members Dr. Bahodir Ganiev (Team Lead/Evaluation Specialist), Vietnam-based researchers Dr. Le Nga, Ms. Nguyen Thuy Huyen, and Ms. Hoang Thi Thanh Binh, as well as Mr. Jared Berenter from the E3 Analytics and Evaluation Project home office. In addition, the evaluation received support from the E3 Analytics and Evaluation Project home office team and the VEMSS project team in Vietnam, most notably VEMSS Chief of Party Hoang Vu.

The evaluation team was provided with USAID's mandatory statement of evaluation standards and signed conflict-of-interest disclosure statements indicating that no conflicts were present. Copies of those statements are available upon USAID's request.

## Data Collection and Analysis Methods

To collect data needed to answer the EQs, the evaluation team (i) undertook a desk review of relevant GIG, government, WTO, and other documents, media reports, and publications; (ii) conducted semi-structured key informant and group interviews with GIG stakeholders, including USAID and GIG staff, central and provincial government officials, representatives of business associations and commercial enterprises, and journalists; and (iii) conducted a structured telephone survey of representatives of the

<sup>5</sup> "Sustainability analysis" in this context refers to the consideration of factors that are commonly associated with the sustainment of development interventions. It is not intended to refer to analyses required by USAID in designing new projects.

<sup>6</sup> The clearest articulation of the six domains is reflected in the 2000 AusAID submission to the OECD-DAC Working Party on Aid Evaluation. See AusAID (2000). Promoting Practical Sustainability. DAC Working party on aid evaluation. (2000).

business community who took part in GIG-supported public consultation and information dissemination events related to trade facilitation. Primary research was conducted in four phases: preliminary scoping research in April 2016; primary field research in both June 2016 and July 2016; and the structured telephone survey in September 2016.<sup>7</sup>

Table 2 contains a description of research methods and analytical approaches used to address each of the EQs. The research instruments are included as Annex F.

**TABLE 2: RESEARCH AND ANALYTICAL APPROACHES UTILIZED**

| Question   | Data Collection Methods  | Data Analysis Methods   |
|--|--|---|
| 1. Did GIG strengthen Vietnam’s legal and regulatory framework in compliance with its international commitments under the U.S.–Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO), and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent? | <ul style="list-style-type: none"> <li>• Document review</li> <li>• Semi-structured interviews</li> <li>• Research/policy, regional activity and results tracking</li> </ul>                             | <ul style="list-style-type: none"> <li>• Daily interpretive analysis</li> <li>• Content analysis</li> <li>• Lines of evidence/synthesis</li> </ul>  |
| a. Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?         | <ul style="list-style-type: none"> <li>• Document review</li> <li>• Semi-structured interviews</li> <li>• Group interviews</li> <li>• Structured telephone survey</li> </ul>                             | <ul style="list-style-type: none"> <li>• Daily interpretive analysis</li> <li>• Content analysis</li> <li>• Descriptive analysis (possible)</li> <li>• Lines of evidence/synthesis</li> </ul> |
| 2. Is GIG progressing on its objective of building Vietnam border agencies’ capacity for trade facilitation? (See GIG activity content for scope of “capacity.”) If so, how and to what extent?  | <ul style="list-style-type: none"> <li>• Document review</li> <li>• Semi-structured interviews</li> </ul>  | <ul style="list-style-type: none"> <li>• Daily interpretive analysis</li> <li>• Content analysis</li> <li>• Lines of evidence/synthesis</li> </ul>  |
| a. Have GIG’s trainings, workshops, field visits and other capacity-building activities resulted in sustainable capacity for Vietnam’s border agencies (including GDVC and others), with respect to trade facilitation? If so, which types interventions have been most effective?         | <ul style="list-style-type: none"> <li>• Document review</li> <li>• Semi-structured interviews</li> </ul>  | <ul style="list-style-type: none"> <li>• Daily interpretive analysis</li> <li>• Content analysis</li> <li>• Lines of evidence/synthesis</li> </ul>  |
| 3. Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?   | <ul style="list-style-type: none"> <li>• Document review</li> <li>• Semi-structured interviews</li> <li>• Group interviews</li> <li>• Research/policy, regional activity and results tracking</li> </ul> | <ul style="list-style-type: none"> <li>• Daily interpretive analysis</li> <li>• Content analysis</li> <li>• Descriptive statistics</li> <li>• Lines of evidence/synthesis</li> </ul>          |

<sup>7</sup> VINAMR, a Vietnamese research firm, conducted the structured telephone survey.

| Question   | Data Collection Methods  | Data Analysis Methods   |
|--|--|---|
| a. Is there any geographic variation in GIG's achievement of this objective among Hanoi, HCMC, and other regions? If so, what factors have led to the differences?   | <ul style="list-style-type: none"> <li>• Document review</li> <li>• Semi-structured interviews</li> <li>• Structured telephone survey</li> </ul> | <ul style="list-style-type: none"> <li>• Daily interpretive analysis</li> <li>• Content analysis</li> <li>• Descriptive statistics</li> <li>• Lines of evidence/synthesis</li> </ul>            |
| b. Has GIG's communications campaign surrounding Resolution 19 changed targeted audiences' awareness and support for reforms to improve Vietnam's business environment? If so, how and for whom—including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups? | <ul style="list-style-type: none"> <li>• Document review</li> <li>• Semi-structured interviews</li> <li>• Group interviews</li> </ul>            | <ul style="list-style-type: none"> <li>• Daily Interpretive analysis</li> <li>• Content analysis</li> <li>• Descriptive statistics (possibly)</li> <li>• Lines of evidence/synthesis</li> </ul> |

## Sampling and Site Selection Approach

The evaluation team employed purposive sampling for semi-structured interviews with stakeholders identified through the desk review of GIG documents and consultations with GIG staff and the USAID/Vietnam Mission. Selection criteria focused on ensuring balanced geographic coverage — locations were selected for research with provincial stakeholders in one municipality each in northern, central and southern Vietnam — as well as adequate coverage of national and sub-national levels of project beneficiaries and informed stakeholder groups. Individual and group interviews were conducted with a total of about 120 stakeholders in Hanoi, Ho Chi Minh City, and Da Nang. A list of the respondents (excluding those who spoke on the condition of anonymity) is in Annex G.

Since the primary purpose of the structured telephone survey was to gather information to answer EQ 1a, the target sample for the survey included the 1,278 representatives of the business community (companies and business associations) who (i) were on the lists of participants of GIG-supported events at which a specific draft law or regulation related to trade facilitation was discussed or information on a particular law, regulation, or international agreement pertaining to trade facilitation was disseminated and (ii) whose phone numbers were included in the participant lists.<sup>8</sup> The research company that conducted the survey was able to contact most of these people, and 406 of them (372 representatives of firms and 34 representatives of business associations) took part in the survey. Unfortunately, 134 respondents (123 representatives of firms and 11 representatives of business associations) could not recall attending a GIG-supported event and did not answer the survey questions about the event. They answered only the questions about their companies or business associations, as well as questions about recent progress and outstanding issues in trade facilitation in Vietnam.

## Study Limitations

**Inability to Make Strong Causal Inferences:** Since the evaluation did not include a counterfactual (control/comparison group) as part of an experimental or quasi-experimental design, the findings do not support strong causal inference. Thus, it was not possible to rigorously determine causality for identified outcomes.

<sup>8</sup> GIG staff provided the lists of the participants of GIG-supported events related to trade facilitation

**Assessing Sustainability:** Since the sustainability of an initiative can be verified only ex-post, the methods used for EQ 2a assessed factors that theoretically would contribute to the sustainability of the intervention. The answer to EQ 2a describes the likelihood of sustainability based on evidence collected by the evaluation team and the literature regarding indicators of sustainability for an intervention of this nature.

**Respondent Bias:** Key informants constituted the primary source of information in answering all EQs. Interview data are well known to be prone to cognitive biases, including recall and social desirability bias. The evaluation team tried to reduce the potential cognitive biases in the research and ensure the validity and reliability of its findings through the use of systematic triangulation of interview and document sources, and appropriate selection of a range of interview participants encompassing activity organizers, participants, and third parties (e.g., journalists).

**Possible Sample Biases:** While the evaluation conducted a telephone survey of participants of GIG-supported dissemination and consultation workshops, several possible sample biases may have impacted the validity of the results. They include the possible biases in the sample of key informants (due to the use of purposive, rather than random, sampling) and the (actual) survey sample (because, for example, it is conceivable that a representative of the business community who participated in a GIG-supported public consultation or information dissemination event and was not satisfied with the event was more likely to decline to take part in the survey than the participant who was satisfied with the event).

**Respondent Lack of Familiarity with GIG:** Many key informants, particularly local government officials and representatives of business associations, participated in GIG-supported activities but were not aware of GIG's involvement, in part because of GIG's laudable attempt to ensure government ownership. As a result, respondents in many cases could not distinguish between events supported by GIG and events with no GIG involvement. This made it difficult for the evaluation team to elicit information specific to a particular GIG activity. This is perhaps the biggest limitation to data collection, given GIG's activity-centric approach.

**Hierarchical Group Interviews:** In some cases, government agencies sent multiple individuals to interview discussions, even when the evaluation team submitted requests to speak to specific individuals. On these occasions, senior-level officials spoke on behalf of the organization, even if lower-level officials who were present had attended the relevant trainings, workshops, or consultations. On other occasions, the individuals who attended the training, workshop, or consultation did not attend the interview at all.

**Required Pre-Submission of Interview Questions:** In some cases, respondents requested the list of interview questions in advance of the interview and would only address those topics or questions, which had been provided in advance. Even when this was not the case, the ability of the respondent to prepare remarks in advance of the interview reduced the value of qualitative open-ended questioning.

# FINDINGS AND CONCLUSIONS

## Evaluation Question I

*Did GIG strengthen Vietnam's legal and regulatory framework in compliance with its international commitments under the U.S.–Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO), and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?*

### Summary of Conclusions for EQ I

GIG supported SRV in drafting laws and regulations related to trade facilitation that were compliant with international agreements, helped Vietnam fulfill its first notification obligation under the TFA, and facilitated the ratification of the TFA by the country's parliament. However, the enforcement of laws and regulations, including those related to trade facilitation, remains inadequate due in part to the limited capacity of many government agencies, especially at the local level.

Consistent with the contribution analysis approach, this section provides a brief overview of recent changes in Vietnam's legal and regulatory framework for trade facilitation and then discusses the extent to which and how GIG contributed to these changes during the period covered by the evaluation.

### **Finding I-1: Vietnam has made numerous changes in its legal and regulatory framework for trade facilitation over the last three years.**

Over the past three years, Vietnam has revised the laws on customs and on export and import duties, enacted a new law on legal normative documents, and ratified the TFA. It has also overhauled its customs regulations and issued regulations on customs-business consultations and on self-certification of origin. Furthermore, Vietnam improved regulations on specialized management of exports and imports, on payment of taxes, fees, and charges in connection with exportation and importation of goods and on administrative procedures. Due largely to these changes in the legal and regulatory framework for trade facilitation, Vietnam's rank on the ease of trading across borders improved from 108 in Doing Business 2016 (based on data as of June 1, 2015) to 93 in Doing Business 2017 (based on data as of June 1, 2016).

### **Finding I-2: The majority of business persons in Vietnam believe that recent changes in customs regulation represent improvements.**

In September and October 2015, the Vietnam Chamber of Commerce and Industry (VCCI) conducted a survey of companies and business associations to assess the business community's perception of recent changes in the business environment, including customs regulations. About 68 percent of respondents indicated that the recent changes in customs regulations were generally or relatively positive. Only 2 percent of respondents indicated that the changes in the customs regulations were generally negative.

### **Finding I-3: GIG helped the GDVC draft a government decree guiding implementation of the revised customs law and MOF circulars and GDVC official letters implementing the law.**

The National Assembly of Vietnam, which is the country's parliament, passed the revised Law on Customs in June 2014. The law took effect January 1, 2015. It provides a sound legal basis for further modernization of customs administration in Vietnam, in line with international best practices. Notably, it provides for the introduction of modern customs control and clearance methods, such as risk management and electronic clearance. GIG was unable to contribute to drafting the revised customs law because the draft was about to be submitted to the National Assembly when GIG began.

GIG helped the GDVC draft Government Decree No. 08/2015/ND-CP (“Decree 08”), which was issued January 21, 2015, and guides the implementation of the revised customs law with respect to customs procedures. GIG also assisted the GDVC in drafting MOF circulars and GDVC official letters that were issued during 2015 and implement the revised customs law (see Annex B). In particular, GIG consultants provided comments on several draft versions of Decree 08 and MOF Circular No. 38/2015/TT-BTC (“Circular 38”), which are regarded as the most important legal normative documents guiding the implementation of the revised customs law. The GDVC incorporated most of these comments into Decree 08, Circular 38 and/or MOF Circular No. 72/2015/TT-BTC (see Annex C).<sup>9</sup>

In September 2014, GIG helped the GDVC conduct an internal technical workshop on the nomenclature of Vietnam’s exports and imports.<sup>10</sup> Around 40 central and local customs officials attended the workshop. They reviewed the draft updated nomenclature of Vietnam’s exports and imports and the draft Vietnamese translation of the Explanatory Notes and the Compendium of Classification Opinions of the World Customs Organization (WCO).<sup>11</sup> They aligned the draft updated nomenclature of Vietnam’s export and imports with the Harmonized System (see footnote 11) and, with the assistance of a GIG expert, considerably improved the draft Vietnamese translation of the WCO’s Explanatory Notes and Compendium of Classification Opinions.

In October 2014, GIG assisted the GDVC in conducting three consultation workshops on draft circulars implementing the revised customs law (including draft Circular 38 and the draft circular updating the nomenclature of Vietnam’s exports and imports). Almost 500 people, including central and local customs officials and representatives of the business community, attended the workshops and reviewed the draft circulars. GDVC officials gave positive overall assessments of the work done by GIG consultants/experts and of the GIG-supported workshops.

**Finding 1-4: The government decree, MOF circulars, and GDVC official letters more closely aligned the regulatory framework for trade facilitation in Vietnam with international agreements and standards.**

The government decree, MOF circulars, and GDVC official letters that GIG helped draft for issue in 2015 to implement the revised customs law significantly improved the regulatory framework for trade facilitation in Vietnam. For example, MOF Circular No. 103/2015/TT-BTC has fully aligned the nomenclature of Vietnam’s exports and imports with the Harmonized System. MOF Circular No. 14/2015/TT-BTC provides official Vietnamese translation of the WCO’s Explanatory Notes and Compendium of Classification Opinions. MOF Circular No. 39/2015/TT-BTC has improved customs valuation of exports and imports in Vietnam in line with the WTO Valuation Agreement. As GIG recommended, Decree 08 and Circular 38 provide for classification of firms for risk-based customs control.

**Finding 1-5: GIG assisted the GDVC in drafting the revised law on export and import duties.**

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<sup>9</sup> Some of the GIG consultants’ comments on draft versions of Decree 08 and Circular 38 were also incorporated into Resolution 19 dated March 12, 2015.

<sup>10</sup> GIG’s contribution to this workshop and the other workshops, conferences, field visits, etc., that it conducted in collaboration with government entities included services of international and/or local expert(s), logistical support, and partial financing of the cost of the event/visit.

<sup>11</sup> The WCO’s Explanatory Notes (five volumes in English and French) provide the official interpretation of the Harmonized Commodity Description and Coding System (generally referred to as “Harmonized System” or simply “HS”), which is an international product nomenclature developed by the WCO and used by more than 200 countries as a basis for their customs tariffs and for the collection of international trade statistics. The WCO’s Compendium of Classification Opinions contains a list of some of the more important and/or difficult classification decisions taken by the Harmonized System Committee and adopted by the WCO.

The National Assembly passed the revised Law on Export and Import Duties in April 2016. The law came into effect on September 1, 2016. It provides a legal basis for streamlining procedures for payment of export and import duties.

GIG contributed to the drafting of the revised Law on Export and Import Duties. In addition to providing written comments on draft versions of the law, most of which are reflected in its final version, GIG supported GDVC to obtain other stakeholders' feedback on draft versions of the law.

With the GDVC in 2015, GIG conducted four consultation workshops on the draft revised Law on Export and Import Duties. More than 400 people, including central and local government officials and representatives of the business community, participated in the workshops and reviewed the draft revised law prepared by the GDVC. Also with the GDVC, GIG conducted field visits to companies affected by the law to get feedback on its impacts. GDVC officials confirmed to the evaluation team that GIG's assistance was useful in drafting the revised Law on Export and Import Duties.

**Finding I-6: GIG assisted GDVC in changing regulations on the payment of taxes, fees, and charges in connection with exportation and importation of goods.**

On August 28, 2014, the MOF issued Circular No. 126/2014/TT-BTC ("Circular 126"), which streamlined procedures for payment of taxes, fees, and charges in connection with exportation and importation of goods and reduced paperwork in trading across borders. On November 17, 2015, the MOF issued Circular 184/2015/TT-BTC ("Circular 184"), which replaced Circular 126 to improve the procedure for electronic payment of taxes, fees, and charges in connection with exportation and importation of goods. Both circulars were issued pursuant to Resolution 19, which calls for improvement of the business environment in Vietnam, in particular by reducing the time and cost of trading across borders.

GIG contributed to the issuance of both circulars through its support for the implementation of Resolution 19, discussed below. GIG contributed to the issuance of Circular 184 also by conducting, in collaboration with the GDVC, a consultation workshop on the implementation of Circular 126.

**Finding I-7: Feedback on draft regulations on the payment of taxes, fees, and charges provided by GIG technical experts and stakeholders at GIG-supported workshops was reflected in the final version of the regulations.**

Approximately 200 people, including customs and central bank officials, representatives of commercial banks, business associations, private companies, and a GIG consultant, attended the workshop. During the workshop, a GIG expert and other participants of the workshop pointed out problems in the implementation of Circular 126 and made recommendations to improve the system for electronic payment of taxes, fees, and charges in connection with exportation and importation of goods. Circular 184 reflects many of these recommendations.

**Finding I-8: GIG provided research and analysis on overhauling specialized management of exports and imports.**

GIG worked with the SRV on overhauling specialized management of exports and imports (including sanitary, phytosanitary, and technical regulations and conformity assessment procedures) to align it with international standards and reduce the time and cost of trading across borders, as required by Resolution 19.<sup>12</sup> As part of its support for the implementation of Resolution 19, GIG prepared a report

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<sup>12</sup> The 2014 customs release-time study found that specialized management of exports and imports accounted for 72 percent of the customs clearance time in Vietnam, while customs procedures accounted for the remaining 28 percent. According to the GIG 2015 Annual Report, specialized management in Vietnam is "prohibitively complex, time-consuming, expensive, and not aligned with international standards."

on customs procedures and specialized management of exports and imports and provided inputs relating to specialized management of exports and imports to the CIEM's quarterly, biannual, and annual reports on the implementation of Resolution 19. Furthermore, in cooperation with the CIEM, GDVC, and other pertinent government entities, GIG conducted workshops and field visits that focused on specialized management of exports and imports.

Partly as a result of these reports, workshops, and field visits, the GDVC issued several official letters aimed at simplifying specialized management of exports and imports. The Ministry of Agriculture and Rural Development (MARD) issued an official letter requesting that customs officials not require businesses to provide a quarantine certificate when exporting plants. GDVC supported MARD's request and issued an official letter ordering local customs authorities to follow MARD guidance. On October 12, 2016, the Ministry of Industry and Trade (MOIT) issued Circular 23/2016/TT-BCT, which abolished the examination of formaldehyde and aromatic amine content of textile products during their customs clearance and thereby resolved one of the thorniest problems in trade facilitation in Vietnam.

**Finding I-9: GDVC used GIG-provided research and analysis to develop proposals for simplifying specialized management of exports and imports.**

GDVC also prepared a proposal to the Vietnamese prime minister on simplifying specialized management of exports and imports that relied on findings of a GIG report on customs procedures and specialized management and GIG-supported field visits and workshops. On November 17, 2015, the prime minister issued Decision No. 2026/QD-TTg on enhancing the effectiveness of specialized management of exports and imports. Pursuant to Decision No. 2026/QD-TTg, on December 21, 2015, the MOH issued Circular No. 52/2015/TT-BYT to streamline procedures for sanitary control over exports and imports of food products.

**Finding I-10: GIG assisted the Ministry of Justice (MOJ) in drafting the Law on Promulgation of Legal Normative Documents and the government decree guiding its implementation.**

In 2014, GIG helped the MOJ draft the Law on Promulgation of Legal Normative Documents, which enhances the transparency and inclusiveness of law- and rule-making in Vietnam. In particular, GIG prepared a regulatory impact assessment (RIA) report on the law, which provided justification for the participatory approach in drafting of legal normative documents. In addition, GIG and the MOJ conducted a technical workshop on the draft law and the draft RIA report. About 50 legal experts from HCMC and surrounding provinces attended the workshop and provided comments on the draft law prepared by the MOJ and the draft RIA report prepared by GIG. The final version of the RIA report was submitted to the National Assembly with the draft report.

The National Assembly passed the law in June 2015. The law took effect July 1, 2016. Consistent with Section 1 of Article 2 of the TFA, the Law on Promulgation of Legal Normative Documents requires public consultations during the drafting of laws, regulations, and other legal normative documents, including those related to trade facilitation. The law also stipulates that all legal normative documents must be published, congruent with Article 1 of the TFA.

During the second half of 2015 and the first quarter of 2016, GIG assisted the MOJ in drafting Government Decree No. 34/2016/ND-CP, which details articles of the Law on Promulgation of Legal Normative Documents and guides its implementation. GIG provided support for organizing a consultation workshop on the implementation of the law, experts' presentations at the workshop, and consultants' reports. The decree was issued May 14, 2016, and took effect July 1, 2016.

**Finding I-11: GIG helped the GDVC draft a regulation on customs-business consultations.**



On April 25, 2015, the GDVC issued Decision No. 1200/QĐ-TCHQ (“Decision 1200”), which lays out a formal process for the GDVC (including its local units) to work with the business community and other stakeholders. Consistent with Section 2 of Article 2 of the TFA, Decision 1200 requires local customs authorities to consult regularly with the business community and other stakeholders.

GIG contributed to the drafting of Decision 1200 in several ways. First, it helped the GDVC conduct an internal workshop on customs-business consultations. Representatives of all GDVC departments attended the workshop and exchanged views on and experiences in customs-business consultations. Second, GIG provided written comments on draft versions of the decision. Third, GIG helped the GDVC conduct two consultation workshops on customs-business partnership, during which a draft version of the decision was reviewed. In the opinion of one GIG staff member, 70 percent of Decision 1200 is based on GIG’s support.

**Finding I-12: GIG helped SRV improve regulations on administrative procedures.**

On January 6, 2015, the Vietnamese prime minister signed Decision No. 08/QĐ-TTg (“Decision 08”), which mandates that government agencies at all levels standardize and publish administrative procedures (including trade procedures), with the objective of reducing compliance time and costs for citizens, businesses, and organizations.

GIG helped the MOJ draft Decision 08. In particular, it prepared a report on administrative procedure provisions of legal normative documents in Vietnam and a report on international best practices in issuing administrative decisions. In October and November 2014, GIG and the MOJ conducted one consultation workshop on incorporation of administrative procedure control into the issuance of legal normative documents and standardization of regulations on administrative procedures, three workshops on draft Decision 08, and two roundtables on developing a set of rules for drafting administrative procedure regulations. In addition, GIG developed a manual on drafting administrative procedure provisions of legal normative documents. The manual is posted on the MOJ’s website.

**Finding I-13: GIG helped Vietnam categorize its commitments under the TFA.**

In 2014–2015, GIG cooperated with the GDVC to conduct two technical workshops on categorization of the trade facilitation provisions of the TFA.<sup>13</sup> Representatives of relevant government agencies — including the National Assembly, Office of the Government (OOG), MARD, Ministry of Finance (MOF), Ministry of Health (MOH), Ministry of Justice (MOJ), MOIT, Ministry of Science and Technology (MOST), Ministry of Transportation (MOT), and Ministry of Information and Communication (MOIC) — and the business community attended the workshops. With the assistance of the two international consultants engaged by GIG, the participants of the first workshop made a situation/gap analysis, completed the WTO questionnaire for each of the substantive trade facilitation measures provided for in the TFA, and agreed on draft lists of Vietnam’s category A, B, and C commitments under the TFA. The participants of the second workshop updated the situation/gap analyses for the TFA provisions in the draft lists of Vietnam’s category B and C commitments and revised these lists.

In July 2014, Vietnam submitted its Category A notification to the WTO. The list of TFA provisions in

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<sup>13</sup> The TFA provides for special and differential treatment of developing and least-developed WTO member countries that allows these countries to determine when they will implement individual trade facilitation provisions of the TFA and identify the provisions they will be able to implement only upon receipt of technical assistance and support for capacity building. To benefit from the special and differential treatment, a developing or a least-developed WTO member country must categorize each trade facilitation provision of the TFA into category A, B, and C commitments, and notify the WTO of this categorization in accordance with the specific timelines outlined in the TFA. In the case of a developing member country (such as Vietnam), Category A commitments are the provisions that the country will implement by the time the TFA enters into force. Category B commitments are the provisions that the country will implement after a transitional period following the entry into force of the TFA. Category C commitments are the provisions that the country will implement after a transitional period following the TFA’s entry into force and requiring the acquisition of assistance and support for capacity building.

Vietnam's official notification to the WTO exactly matches the list of the Category A commitments proposed by the first workshop. The lists of the category B and C commitments proposed by the second workshop were undergoing internal review within the government as of June 8, 2016. GDVC officials told the evaluation team that GIG was "particularly helpful" in the categorization of the TFA provisions.

**Finding I-14: GIG helped Vietnam carry out a comprehensive review of its legislation in preparation for the ratification of the TFA.**

In collaboration with the GDVC, GIG also conducted a workshop on Legal Review for the Ratification of the TFA. More than 40 officials of relevant government agencies, including OOG, GDVC, MOIT, MARD, MOH, MOIC, and MOT, participated in the workshop. With the assistance of GIG experts, they made a detailed comparison of Vietnam's legislation with its commitments under the TFA and determined what changes had to be made in the legislation to implement the TFA. Of the 37 participants who completed the event evaluation form, 92 percent indicated that they were fully or mostly satisfied with the workshop. The GDVC submitted a proposal based on the workshop findings to the National Assembly and the National Assembly ratified the TFA on November 26, 2015.

**Finding I-15: GIG helped the MOIT draft a regulation on self-certification of origin under the Association of Southeast Asian Nations (ASEAN) free trade agreement.<sup>14</sup>**

On August 29, 2015, the MOIT issued Circular No. 28/2015/TT-BCT ("Circular 28") on self-certification of origin under the ASEAN Trade in Goods Agreement (ATIGA). The circular came into force October 5, 2015. It enabled Vietnam to join the second pilot project on self-certification of origin (PPSCO) under the ATIGA.<sup>15</sup>

GIG contributed to the drafting of Circular 28. With GIG assistance, a team consisting of MOIT and GDVC officials, a representative of the VCCI, and an international consultant engaged by GIG undertook field visits and conducted two workshops on self-certification of origin in November 2014. They visited Hai Duong, Quang Ninh, Hai Phong, Vung Tau, Dong Nai, and HCMC and conducted in-depth interviews and consultations with companies and relevant local government authorities to learn their views on and readiness for the planned introduction of the ASEAN self-certification scheme. They also conducted consultation workshops in Hai Phong on November 6, 2014, and in HCMC on November 24, 2014, to seek comments from local government officials and representatives of the business community on draft Circular 28. More than 200 people, including government officials, representatives of business associations and companies, and journalists attended the workshops.

Officials of the Import-Export Agency of the MOIT told the evaluation team that the November 2014 workshops on self-certification of origin (as well as the workshops and training courses on self-certification of origin jointly conducted by the MOIT and GIG in March-April 2015) were well-organized. The officials said they appreciated GIG's assistance, particularly in drafting Circular 28. They pointed out that the participation in the second PPSCO under the ATIGA will help Vietnam prepare for the implementation of self-certification of origin under the TPP agreement.

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<sup>14</sup> Self-certification of origin under a regional trade agreement (RTA), such as a free trade agreement (FTA), allows authorized producers and traders in a member country to self-certify the origin of the goods they export to or import from the other member countries — instead of obtaining a certificate of origin from a government agency or a government-designated entity in the exporting country — so that the preferential tariffs under the RTA are applied to the goods in the importing countries. Self-certification of origin reduces time and cost of trade among the RTA member countries.

<sup>15</sup> There are two PPSCOs under the ATIGA. Brunei, Malaysia, and Singapore launched the first PPSCO on November 1, 2010, Thailand joined it in 2011 and Cambodia in 2015. Lao PDR, Indonesia, and the Philippines launched the second PPSCO on January 1, 2014. Thailand joined it later in 2014.

**Finding I-16: GIG helped the MOIT draft amendments to the Commercial Law, including parts related to trade facilitation.**

GIG helped the MOIT undertake a comprehensive review of the 10 years of implementation of the 2005 Commercial Law, which regulates a broad range of business activities, including international trade. With GIG's assistance, a team consisting of MOIT officials and GIG experts undertook field visits to Phu Tho and Lao Cai on October 1–2, 2015, and to An Giang and Can Tho on October 6–9, 2015. During the visits, the team assessed implementation of the Commercial Law over the past 10 years. Following the visits, the MOIT held stakeholder consultations in Hanoi on October 16, 2015, in HCMC on October 20, 2015, and in Da Nang on October 22, 2015. Attendees included public and private lawyers and representatives of the business community. They discussed issues in the implementation of the Commercial Law and reviewed related regulations, including regulations on import management and certification of origin. GIG experts presented the findings of the field visits and worked with the other workshop participants to develop recommendations on improving the law.

Subsequently, GIG prepared five reports on the overall effects of the law and its implementation with respect to rules of origin, import administration, international trade intermediaries, and commodity trading contracts. The MOIT reported the findings of the review of the implementation of the Commercial Law to the prime minister, who then instructed the MOIT to draft amendments to the law. As of June 30, 2016, the MOIT was drafting amendments to the law, taking into account the findings of the review of its implementation. The draft amendments are to be submitted to the National Assembly in 2017 or 2018.

**Finding I-17: GIG assisted the MOIT in drafting a Law on Foreign Trade Administration.**

GIG helped the MOIT conduct a technical discussion of the draft Law on Foreign Trade Administration in Vung Tau on March 9–11, 2016. The discussion brought together the law drafting team, central and local government officials (including senior MOIT officials) and representatives of the foreign trade university and the business community. The participants discussed key aspects of foreign trade management to be covered in the law, including export and import administrative procedures, rules of origin, technical barriers to trade, sanitary and phytosanitary measures, and specialized management of exports and imports.

Subsequently, the MOIT revised the draft Law on Foreign Trade Administration — taking into account the comments and suggestions made by participants of the technical discussion — and submitted it to the OOG. The draft law was expected to be considered by the National Assembly in May 2017. If and when Vietnam enacts this law, the country's legal framework for trade facilitation will be upgraded further in line with its international commitments, including its commitment under the recently signed RTAs, such as the TPP agreement.

**Finding I-18: Stakeholders stated that the enforcement of trade facilitation laws and regulations remained inadequate.**

Several key informants pointed out that, while many positive changes had recently been made in the legal and regulatory framework for trade facilitation, the enforcement of laws and regulations, including laws and regulations related to trade facilitation, remained relatively weak. This was due in part to the limited capacity of many government agencies, especially at the local level.

### Conclusions for EQ1

**Conclusion 1-1:** Over the past three years, Vietnam significantly strengthened its legal and regulatory framework for trade facilitation in line with its international commitments, including its commitments under the U.S.–Vietnam BTA and WTO agreements. In so doing, the country received substantial technical assistance from the GIG.

**Conclusion 1-2:** By collaborating with the GDVC, other SRV government entities and the VCCI to conduct public consultation and information dissemination events and field visits, providing written comments on draft new/ revised laws and regulations, preparing assessment reports, etc., GIG helped the SRV draft numerous laws and regulations related to trade facilitation. As of end-October 2016, most of these laws and regulations had been enacted.

**Conclusion 1-3:** By assisting Vietnam in categorizing the trade facilitation provisions of the TFA and in carrying out a comprehensive review of its legislation in preparation for the ratification of the TFA, GIG helped the country fulfill its first notification obligation under the TFA and facilitated the ratification of the TFA by Vietnam’s parliament.

**Conclusion 1-4:** The enforcement of laws and regulations, including laws and regulations pertaining to trade facilitation, remains inadequate due in part to the limited capacity of many government agencies, especially at the local level.

## Evaluation Question 1a

*Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?*

### Summary of Conclusions for EQ 1a

GIG contributed, in a number of ways, to the recent improvements in public consultations and dissemination of information on laws, regulations, and international agreements related to trade facilitation. SMEs and firms owned by women accounted for large proportions of the companies whose employees attended GIG-supported public consultation and information dissemination events pertaining to trade facilitation. However, firms owned by ethnic minorities made up a small percentage of these companies.

This section provides an overview of recent improvements in public consultations and information dissemination on trade facilitation laws and regulations in Vietnam and discusses the extent to which and how GIG contributed to these improvements.

### **Finding 1a-1: Public consultation and information dissemination events related to trade facilitation have become more frequent over the last several years.**

As mentioned, GDVC issued a regulation (Decision No. 1200/QD-TCHQ, dated April 25, 2015), which GIG helped draft, that requires local customs authorities to consult regularly with the business community and other stakeholders. GDVC also set up consultation teams at local customs departments. Public consultation and information dissemination events, such as conferences and workshops, became more frequent. In some cities and provinces (e.g., HCMC and Da Nang), local units of the GDVC and other border agencies began conducting public consultations and information dissemination events regularly.

Of the 406 business community representatives who took part in the structured telephone survey conducted as part of this evaluation, 352 people (86.7 percent) indicated that public consultations and

dissemination of information on laws, regulations and international agreements related to trade facilitation improved in Vietnam during the preceding 2.5 years. In particular, 265 persons (65.3 percent) said public consultation and information dissemination events became more frequent, 212 people (52.2 percent) indicated that the business community was given more time to prepare for public consultations, 253 persons (62.3 percent) said the business community was given more time to provide comments and ask questions during public consultation and information dissemination events, and 254 people (62.6 percent) indicated that comments provided by the business community were better reflected in new/revised laws and regulations related to trade facilitation (Table 3).

**TABLE 3: BUSINESS COMMUNITY REPRESENTATIVES WHO FELT PUBLIC CONSULTATIONS AND INFORMATION DISSEMINATION FOR TRADE FACILITATION HAD IMPROVED**

| Response  | Number of Respondents Who Agreed | Percentage*    |                         |
|---|----------------------------------|----------------|-------------------------|
|   |                                  | Point Estimate | 95% Confidence Interval |
| Public consultations and information dissemination have improved over the past 2.5 years. | 352                              | 86.7           | 83.4-90.0               |
| Public consultations and information dissemination have become more frequent.             | 265                              | 65.3           | 60.6-69.9               |
| Business community is given more time to prepare for public consultations.                | 212                              | 52.2           | 47.4-57.1               |
| Business community is given more time to provide comments and ask questions.              | 253                              | 62.3           | 57.6-67.0               |
| Business community feedback is better reflected in new/revised laws and regulations.      | 254                              | 62.6           | 57.9-67.3               |

\* Refers to the portion of all representatives of the business community who attended the GIG-supported public consultation and information dissemination events related to trade facilitation.

Source: Evaluation team's estimates based on survey data.

**Finding 1a-2: The Vietnamese Government has increased the use of information and communication technology in disseminating information about laws, regulations, and international agreements.**

Government agencies increased the use of information and communication technology in disseminating information about laws, regulations and international agreements, and in consulting with businesses and other stakeholders on draft new laws and regulations and proposed amendments to existing laws and regulations. The GDVC built a customs information website for businesses and uploaded many existing laws and regulations related to trade facilitation into this website. It provides clarifications and additional information on these laws and regulations online upon request. Several key informants and survey participants indicated that the GDVC was quite responsive to online requests for clarifications and additional information on trade facilitation laws and regulations.

**Finding 1a-3: Business participation in public consultations and media coverage of laws, regulations, and international agreements has increased.**

As several key informants and survey participants indicated, it is now easier for businesses to obtain information on laws, regulations, and international agreements related to trade facilitation and to make comments on draft new/revised laws and regulations. With increased ability to influence laws and regulations, the business community became more involved — often proactively — in consultations. More businesses now participate in public consultations. Media coverage of laws, regulations, and international agreements related to trade facilitation improved.

**Finding 1a-4: Vietnam’s international rankings for transparency of government policymaking, including policymaking in the area of trade facilitation, have risen.**

In part because of the improvements in public consultations and the dissemination of information on laws, regulations, and international agreements related to trade facilitation, Vietnam’s ranking on transparency of government policymaking rose from 121st in the World Economic Forum’s Global Competitiveness Report 2013–2014 to 80th in the 2015–2016 report. The value of the OECD Trade Facilitation Indicator for information availability increased from 1.5 in mid-2012 to 1.8 in mid-2015.

**Finding 1a-5: Stakeholders stated that public consultation and dissemination of information continue to provide inadequate opportunities for feedback.**

Key informants told the evaluation team that, despite recent improvements, serious deficiencies persist in public consultations and information dissemination.<sup>16</sup> Sometimes, government agencies conduct public consultation events on an ad hoc basis at short notice, leaving interested parties with insufficient time to study the documents to be discussed during the consultations and to prepare comments and recommendations. Therefore, many invitees do not attend the consultations, or attend without preparation, which limits their ability to make informed comments on the documents reviewed during the events. For this reason, and due to fear of possible negative consequences for their businesses, many attendees do not comment during consultations.

In many instances, events mostly consist of speeches and presentations by government officials, without allowing sufficient time for participants to pose questions, ask for clarifications, make comments, or give recommendations. Due in part to lack of time, many questions from the floor go unanswered. The events essentially become one-way communication.

Furthermore, public consultations often take place at an advanced stage of the drafting of a law or regulation, when government officials are reluctant to make substantive changes in the draft law or regulation. This makes comments during the public consultations less likely to be accepted.

**Finding 1a-6: SMEs do not actively participate in public consultation and information dissemination events.**

SMEs rarely participate in public consultation and information dissemination events, due not only to the small number of employees and limited capacity to take active part in public consultations, but also the fact that they are not always invited. Although SMEs account for more than 90 percent of businesses, the Vietnam Association of SMEs (VINASME), which represents the interests of SMEs, is not invited to many public consultation and information dissemination events.

Customs officials in HCMC further confirmed that incentives driving the relationship between Customs and the business community favor large enterprises. When conducting site visits, customs officials tend to select companies with high import-export volume and high revenue. Often, workshops are tailored to multinational and other large enterprises. Customs views these enterprises as representative of the private sector, due to the diversity of issues they face.

**Finding 1a-7: In collaboration with various government entities, GIG conducted many public consultation and information dissemination events related to trade facilitation.**

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<sup>16</sup> Of the 406 representatives of the business community who took part in the structured telephone survey, 132 people (32.5 percent) indicated that public consultations and the availability of information were the aspects of trade facilitation in Vietnam that needed further improvements most.

Through the first quarter of 2016, GIG worked with the GDVC, CIEM, and other government entities to conduct 47 public consultation and information dissemination events pertaining to trade facilitation (see Annex D). Approximately 4,500 individuals, including more than 2,000 women, attended these events. Most (45 events) took place in 2014–2015. Only two events occurred in the first quarter of 2016 due to the PMU’s delay in approving GIG’s work plan for the third fiscal year. According to GDVC and CIEM officials, GIG was quite responsive to requests to organize public consultations in 2014–2015, but became less so in 2016. As a result, the program missed windows of opportunity to advance some important regulatory and economic reforms.

**Finding 1a-8: GIG-supported public consultation and information dissemination events were well regarded by participants.**

Many key informants, including central and local government officials and people from the business community, gave a positive assessment of GIG-supported public consultation and information dissemination events related to trade facilitation. They said the events were organized well and were useful/effective, and that GIG experts/consultants who gave presentations at the events were highly qualified and the discussions were fairly candid. In most cases, GIG circulated the materials to prospective participants far enough in advance to give them time sufficiently prepare. The events tended to focus on one or a few topics or issues that are of importance to a large number of businesses (e.g., procedures for payment of taxes, fees and charges in connection with exportation and importation of goods, or formaldehyde testing procedures for textiles products), unlike some other consultation events that covered too many topics or issues that were important to only a few (usually large) companies.

At GIG’s invitation, decision-making officials from relevant government agencies often participated in GIG-supported consultations, which increased the chances that the events would have an impact, as pointed out by some key informants. The consultations usually involved genuine two-way communication between government agencies and the business community, with government officials being quite responsive to the business community’s comments, questions, and requests.

**Finding 1a-9: A broad range of stakeholders, including large numbers of business community representatives, participated in GIG-supported public consultation and information dissemination events.**

GIG-supported public consultation and information dissemination events provided a broad range of stakeholders from many cities, provinces, and industries with a good opportunity to participate in the drafting of new/revised laws and regulations related to trade facilitation; provide feedback on the implementation of the existing laws, regulations, and international agreements pertaining to trade facilitation; get additional information on these laws, regulations, and international agreements; express their views openly; and raise issues that are important to them. Relatively large numbers of business community representatives attended the events because GIG invited many companies and business associations to the events and the documents reviewed at the events were of great interest to many businesses. Even people who had not been invited often attended and the venues were packed.

Local government officials and representatives of numerous industries, from Hanoi and neighboring provinces as well as other cities and provinces, participated in many GIG-supported events in Hanoi (e.g., the consultation workshop on draft circulars implementing the revised customs law). This was one of the positive features of GIG-supported events compared with others in Hanoi (e.g., consultation workshops conducted by the customs department of Hanoi), to which relatively small numbers of businesses based in neighboring provinces were invited.

**Finding 1a-10: Most business community representatives who took part in the structured telephone survey and could recall attending a GIG-supported event that included**

**discussion of a draft law/regulation related to trade facilitation said the event was very effective or somewhat effective in providing an opportunity to comment on the draft law/regulation.**

Of 178 survey respondents who could recall attending a GIG-supported workshop at which a draft law/regulation related to trade facilitation was discussed, 41 persons (23.0 percent) indicated that the workshop was very effective in providing the business community with an opportunity to comment on the draft law/regulation; 112 people (62.9 percent) responded that the workshop was somewhat effective in providing the business community with an opportunity to comment on the draft law/regulation; and only 12 respondents (6.7 percent) said the workshop was not effective in providing the business community with an opportunity to comment on the draft law/regulation (see Table 4). Of the 178 respondents, 42 persons (23.6 percent) recalled commenting on the draft law/regulation during the event they attended and 32 respondents (18.0 percent) said the final version of the law/regulation reflected at least some of their comments.

**TABLE 4: BUSINESS COMMUNITY REPRESENTATIVES WHO SAID GIG-SUPPORTED EVENTS WERE EFFECTIVE FOR PROVIDING FEEDBACK**

| Response           | Number of Responses | Percentage*    |                         |
|--------------------|---------------------|----------------|-------------------------|
|                    |                     | Point Estimate | 95% Confidence Interval |
| Very effective     | 41                  | 23.0           | 17.2-28.9               |
| Somewhat effective | 112                 | 62.9           | 56.2-69.6               |
| Not effective      | 12                  | 6.7            | 3.3-10.2                |
| Don't know         | 13                  | 7.3            | 3.7-10.9                |

\* Refers to the proportion of all representatives of the business community who attended the GIG-supported public consultation and information dissemination events related to trade facilitation.

Source: Evaluation team's estimates based on survey data.

**Finding 1a-11: Most survey respondents who could recall attending a GIG-supported information dissemination event said the event was very effective or somewhat effective in informing the business community about the law, regulation, or international agreement pertaining to trade facilitation.**

Of 163 survey respondents who recalled attending a GIG-supported workshop that included dissemination of information about a law, regulation, or international agreement related to trade facilitation, 26 people (16 percent) indicated that the workshop was very effective in informing the business community about the law, regulation, or international agreement; 113 people (69.3 percent) responded that the workshop was somewhat effective; and only seven respondents (4.3 percent) said the workshop was not effective.

**TABLE 5: BUSINESS COMMUNITY REPRESENTATIVES WHO FELT GIG-SUPPORTED EVENTS WERE EFFECTIVE IN INFORMATION DISSEMINATION**

| Response           | Number of Responses | Percentage*    |                         |
|--------------------|---------------------|----------------|-------------------------|
|                    |                     | Point Estimate | 95% Confidence Interval |
| Very effective     | 26                  | 16.0           | 10.6-21.3               |
| Somewhat effective | 113                 | 69.3           | 62.6-76.0               |
| Not effective      | 7                   | 4.3            | 1.3-7.2                 |
| Don't know         | 17                  | 10.4           | 6.0-14.9                |

\* Refers to the proportion of all representatives of the business community who attended the GIG-supported public consultation and information dissemination events related to trade facilitation.

Source: Evaluation team's estimates based on survey data.



**Finding 1a-12: Stakeholders believe that the GIG-supported events provided useful information to government agencies in charge of drafting new/revised laws and regulations related to trade facilitation.**

Due to the often active participation of large numbers of stakeholders in GIG-supported consultations, the government agencies in charge of drafting the new/revised law or regulation reviewed at these events often received numerous useful comments on the draft new/revised law or regulation during the events. They also received many useful recommendations from international and local experts engaged by GIG. All of this helped the relevant government agencies improve draft revised laws and regulations to make them more conducive to international trade.

Without GIG support, the government agencies would have most likely only posted the draft new/revised law or regulation on their websites for public review and comment with likely less useful public feedback. Even if workshops had been conducted, decision-making government officials would have been less likely to participate and the workshops would have been less likely to have an impact.

**Finding 1a-13: GIG made particular effort to involve SMEs and firms owned by women and other disadvantaged groups in public consultation and information dissemination events, but its government counterparts did not do so.**

GIG staff emphasized that they made particular effort to involve SMEs and firms owned by women and other disadvantaged groups in the GIG-supported public consultation and information dissemination events and that representatives of various business associations — such as the Vietnam Textile and Apparel Association (VITAS) and Vietnam Leather and Footwear Association (LEFASO) — that comprise mostly SMEs and firms owned by women, or those with large numbers of female employees, attended many of these events. At the same time, government officials indicated that they generally did not pay special attention to the firm size and ownership when inviting businesses to GIG-supported public consultation and information dissemination events. While they tried to involve businesses from remote areas, the main criterion in choosing businesses to be invited to a particular event was its presumed relevance to the businesses.

**Finding 1a-14: GIG did not monitor how many SMEs and firms owned by women and other disadvantaged groups participated in the workshops and other events that it supported.**

GIG did not keep a record of the number of SMEs and firms owned by women and other disadvantaged groups that participated in the workshops and other events that it supported. As a result, the extent of actual participation by SMEs and firms owned by women and other disadvantaged groups in GIG-supported events cannot be determined from the event registration forms or other GIG documents.

**Finding 1a-15: Survey results indicate that SMEs and firms owned by women accounted for significant proportions of attendees of GIG-supported public consultation and information dissemination events. Firms owned by ethnic minorities did not.**

The survey data suggest that SMEs accounted for 55.0 percent of the companies whose employees attended GIG-supported public consultation and information dissemination events related to trade facilitation; 48.7 percent of the companies were wholly or majority owned by women; and 4.9 percent were wholly or majority owned by people from ethnic minorities (see Table 6).

**TABLE 6: SMEs AND FIRMS OWNED BY WOMEN AND PEOPLE FROM ETHNIC MINORITIES ATTENDING GIG-SUPPORTED PUBLIC CONSULTATION AND INFORMATION DISSEMINATION EVENTS**

| Company Category  | Relevant Sample Size | Number of Companies in Category | Percentage (%)* |                         |
|---|----------------------|---------------------------------|-----------------|-------------------------|
|   |                      |                                 | Point Estimate  | 95% Confidence Interval |
| Small and medium-sized enterprises                              | 340                  | 187                             | 55.0            | 50.4-59.6               |
| Firms wholly or majority owned by women                         | 349                  | 170                             | 48.7            | 44.2-53.2               |
| Firms wholly or majority owned by people from ethnic minorities | 324                  | 16                              | 4.9             | 2.9-7.0                 |

\* Refers to the proportion of the total number of the companies whose employees attended the GIG-supported public consultation and information dissemination events related to trade facilitation.

Source: Evaluation team's estimates based on survey data.

**Finding 1a-16: GIG organized field visits for its experts and central government officials to consult with local government officials and businesses on laws and regulations related to trade facilitation.**

In addition to the public consultation and information dissemination events, GIG conducted visits that involved consultations on draft revised laws, regulations, or the implementation of an existing law or regulation. In particular, as mentioned, GIG organized field visits for its experts and government officials to consult with local government agencies and businesses (including foreign-owned companies) on the draft revised Law on Export and Import Duties, specialized management of exports and imports, the draft regulation of self-certification of origin of goods by exporters, and the implementation of the Commercial Law.

Further, as part of its support for the implementation of Resolution 19, GIG conducted field visits to assess the business environment with respect to the ease of paying taxes and trading across borders. GIG experts who participated in field visits later prepared reports and gave presentations summarizing the findings of the visits. Government officials who took part in GIG-supported field visits told the evaluation team that the visits were well-organized and useful.

**Finding 1a-17: GIG promoted dissemination of laws, regulations, and international agreements related to trade facilitation by exposing journalists to recent developments and through publications and the GDVC's website.**

GIG invited journalist to many of the public consultation and information dissemination events that it supported. Some of these events received extensive media coverage, which helped disseminate information on laws, regulations, and international agreements discussed at the events and increased pressure on government officials to improve the legal and regulatory framework for trade facilitation. In collaboration with the Department of Foreign Affairs of the National Assembly, GIG published a book on the TPP agreement and its possible impacts on Vietnam's economy. GIG also provided English translation of several documents related to trade facilitation that are posted on the GDVC's website.

**Finding 1a-18: The VTFA, which GIG helped set up and mostly finances, also organized consultations between border agencies and the business community.**

As discussed in greater detail below, the HCMC-based VTFA organized consultations between local units of border agencies (including the GDVC) and the business community in the Key Southern

Economic Region (HCMC and the Binh Duong and Dong Nai Provinces). The VTFA pioneered an approach to consultations, new for Vietnam, between government agencies and the business community. It includes regular consultations, preceded by the business community undertaking an in-depth analysis of the issues to be discussed during each consultation and preparing written recommendations to the relevant government agencies.

**Finding 1a-19: Several key informants made critical remarks about GIG-supported public consultation and information dissemination events.**

Some key informants stated that GIG was too “event-focused” and not sufficiently results-oriented, suggesting that more resources should have been allocated to capacity-building efforts. In addition, some key informants thought the GIG-supported events did not delve deeply enough into important issues, serving as an introduction to certain topics (such as the TFA and the TPP agreement) but failing to provide in-depth knowledge of the topics (e.g., how the TFA and the TPP agreement would affect various sectors of the economy). Written comments by some of the participants in event completion forms said presentations were too long and did not allow enough time for discussions and Q&A sessions during the events they attended.

**Conclusions for EQ 1a**

**Conclusion 1a-1:** During the past several years, public consultations and dissemination of information on laws, regulations, and international agreements related to trade facilitation improved markedly.

**Conclusion 1a-2:** The GIG contributed to these improvements by conducting — with various government entities — numerous public consultation and information dissemination events (such as conferences and workshops), inviting many people from the business community, decision-making government officials, and journalists to these events, ensuring genuine two-way communication between government agencies and the business community during the events, organizing field visits of government officials, and helping the SRV disseminate information on laws, regulations, and international agreements related to trade facilitation through the Internet and the publication of a book.

**Conclusion 1a-3:** GIG, but not partner government entities, made efforts to involve SMEs and firms owned by women and other disadvantaged groups in GIG-supported public consultation and information dissemination events. Thanks largely to GIG’s efforts, SMEs and women-owned firms represented a large proportion of the companies whose employees attended the events. Firms owned by ethnic minorities made up a small percentage of these companies.

**Conclusion 1a-4:** While the GIG-supported public consultation and information dissemination events and field visits were generally well-organized and quite effective, time was apparently insufficient for participant discussions and Q&A sessions during some of the events. Some events covered too many topics, without an in-depth discussion of important issues.

## Evaluation Question 2

*Is GIG progressing on its objective of building Vietnam border agencies' capacity for trade facilitation? (See GIG activity content for scope of "capacity.") If so, how and to what extent?*

### Summary of Conclusions for EQ 2

GIG made some progress in strengthening SRV border agencies' capacity for trade facilitation, with greater progress at the GDVC than other border agencies and more progress at the central level than the local level. Agencies responsible for specialized management of exports and imports received limited assistance in capacity building.

The evaluation team reviewed the trade facilitation activities undertaken by GIG and identified as capacity-building assistance to SRV border agencies the activities that entailed enhancing one or several SRV border agencies' "overall performance and viability by improving administrative and management functions, increasing the effectiveness of service provision, enhancing the organization's structure and culture, and furthering its sustainability."<sup>17</sup> Annex E provides a summary of GIG's capacity-building assistance to SRV border agencies.

#### **Finding 2-1: Only a small number of GIG activities involved strengthening SRV border agencies' capacity for trade facilitation.**

Of more than 100 trade-facilitation activities identified during the research, the evaluation team categorized approximately 30 as directly related to capacity-building at SRV border agencies and many of these activities consisted of events delivered in multiple cities.<sup>18</sup> The PMU and GDVC each confirmed that GIG had undertaken a relatively small number of capacity-building activities. The PMU, for example, noted that GIG's biggest achievement thus far had been its support for strengthening the legal and regulatory framework for trade facilitation, while GDVC called attention to GIG's role in supporting stakeholder consultations in drafting new laws and regulations.

#### **Finding 2-2: GIG helped GDVC staff gain a better understanding of the Harmonized Commodity Description and Coding System.**

As mentioned, in September 2014, GIG helped the GDVC conduct an internal technical workshop on the nomenclature of Vietnam's exports and imports. Through this workshop, GIG helped GDVC staff gain a better understanding of the Harmonized Commodity Description and Coding System.

#### **Finding 2-3: GIG has supported skill- and tool-based capacity building to improve compliance measurement for risk management at the GDVC, but this capacity building has not yet had a visible impact on customs operations.**

Compliance measurement is an important skill set promoted by GIG to improve customs operations and reduce administrative barriers to trade. In collaboration with the GDVC, GIG conducted several compliance measurement workshops, which included both procedural and skill- or tool-based capacity building at the GDVC. In 2016, for example, a U.S. Customs Border Protection delegation trained the GDVC Risks Management Department (RMD) in the R language for statistical computing and analysis, as well as sampling techniques for compliance measurement. The RMD planned a pilot compliance

<sup>17</sup> See USAID, "TIPS: Measuring Institutional Capacity," [http://pdf.usaid.gov/pdf\\_docs/Pnadw115.pdf](http://pdf.usaid.gov/pdf_docs/Pnadw115.pdf).

<sup>18</sup> The evaluation team based these numbers on a review of the GIG documentation, classifying each discrete instance of technical assistance as an activity.

measurement scheme for June–August 2016. The evaluation team did not find evidence that this scheme had been implemented.

**Finding 2-4: GIG helped the GDVC conduct a review of the electronic customs clearance system called the Vietnam Automated Cargo Clearance System (VNACCS).<sup>19</sup>**

Although GIG was not involved in the development and launch of the VNACCS, it helped GDVC conduct two workshops to review the implementation of the system. Apart from GDVC and Japan International Cooperation Agency officials, around 200 local customs officials and representatives of the business community attended the workshops and made recommendations on improving the VNACCS.

**Finding 2-5: GIG provided GDVC, MOIT, and VCCI with capacity-building assistance in rules of origin and self-certification of origin.**

According to GIG, the focus of its training activity has been on rules of origin and self-certification. The main participants in GIG trainings are GDVC, MOIT (which issues preferential certificates of origin), and VCCI (which issues non-preferential certificates of origin). Within MOIT, 34 regional offices can issue certificates of origin. Because non-preferential certificates of origin have become increasingly less important with Vietnam’s entry into free trade agreements, the work of MOIT with regard to certificates of origin is expanding, while VCCI’s work has diminished.

**Finding 2-6: Respondents believe GIG training courses on rules of origin and self-certification were useful, but that additional capacity building will be required.**

MOIT respondents described the training courses on rules of origin and self-certification as well-organized, with experts from U.S. Customs providing useful knowledge and experience. However, the respondents noted that the TPP agreement requires the implementation of importer self-certification systems by 2023 and that additional GIG training support would be preferable. GIG is in discussion with MOIT and VCCI about supporting a training center for self-certification, which has significant counterpart interest.

**Finding 2-7: GIG supported SRV to institutionalize the World Bank’s Doing Business indicators as measures of progress in improving the business environment and, in particular, trade facilitation in Vietnam.**

The World Bank’s Doing Business indicators, including those measuring the ease of trading across borders, have been used in three consecutive versions of Resolution 19. GIG provided technical assistance to SRV government agencies, including the GDVC and other border agencies, in gaining a better understanding of the Doing Business indicators (including the indicators measuring the ease of trading across borders) and in institutionalizing them to measure progress in improving the business environment and, in particular, trade facilitation in Vietnam. Notably, GIG invited World Bank experts to consult SRV government officials on the methodology of the Doing Business indicators, and assist them with analysis using the Doing Business methodology and with the speedy implementation of Resolution 19 in HCMC and Quang Ninh.

**Finding 2-8: The assistance that GIG provided to the SRV in categorizing the trade facilitation provisions of the TFA involved hands-on training in situation/gap analysis.**

Capacity-building activities for WTO compliance have included technical assistance for categorization of trade facilitation measures, gap analysis between international commitments and current Vietnam law,

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<sup>19</sup> The VNACCS was developed with the assistance of the Japan International Cooperation Agency and officially launched on April 1, 2014.

and compliance measurement systems and tools. Specifically, as noted in finding 1-13, GIG had a significant role in the categorization of SRV's commitments under the TFA.

**Finding 2-9: GIG worked with an inter-ministerial TPP Legal Review Working Group led by MOJ to support a legal gap analysis and train officials on reporting the results to government officials.**

GIG supported the SRV to undertake a gap analysis of TPP commitments with current Vietnamese law to determine compatibility, establish conditions for implementation and assess need for legal revision, repeal or enactment of additional laws. According to GIG and MOJ, capacity-building activities for gap analysis included trainings on gap analysis methodology and a three-day workshop organized for the inter-ministerial TPP Legal Review Working Group to review 30 chapters of TPP and develop a list of regulatory and legal documents to be revised, supplemented, or amended. Capacity building also included trainings for relevant ministries on gap reporting to high-level government officials, including members of the National Assembly responsible for ratifying international trade agreements. This work was ongoing at the time of the evaluation research, but the PMU has explicitly called for GIG to increase the number of technical trainings.

**Finding 2-10: GIG capacity-building activities in support of standardization of administrative procedures, including trade procedures, are perceived by stakeholders as having a positive impact on trade facilitation.**

In 2015, GIG supported two rounds of consultation and training with central and provincial government officials related to the implementation of Decision 08, which calls for an online database of administrative procedures to ensure clarity and consistency of cross-sector administrative requirements. GIG consultants assisted with the development of online tools to standardize the names and content of administrative procedures and provided technical suggestions for further standardization. According to the Vietnam GIG Program Quarterly Performance Report #9, ministries and provincial departments will continue to conduct standardization tasks. Respondents across border agencies touted the virtues of standardization of administrative procedures. DOIT in Hanoi, for example, noted that harmonization of regulations will increase transparency, while GDVC indicated the need for standardization to facilitate risk management.

**Finding 2-11: Directorate for Standards, Metrology, and Quality (STAMEQ) respondents feel that the technical barriers to trade (TBT) notification system established with GIG support will provide benefits to Vietnamese businesses, especially SMEs.**

With regard to TBT notification, the 2015 GIG Annual Report says the "WTO requires TBTs to be based on objective, scientific evidence, and that objective notices and opportunities to comment are communicated to WTO members." To replace an outdated notification systems deemed inefficient, GIG provided technical consultants that developed the software for a new electronic notification system intended to enable users to access Vietnamese-language TBT notifications issued by other WTO members in the WTO's database. STAMEQ successfully launched an electronic notification system in August 2015, although technological aspects of the system still need improvement.

STAMEQ respondents characterized the contribution of GIG support in establishing the system as "very important and necessary for the daily work of STAMEQ and useful to businesses." STAMEQ also noted that the availability of Vietnamese translation for TBT notifications of WTO members will be extremely helpful for Vietnamese businesses, as many of them are SMEs with limited knowledge of TBT in other countries.

**Finding 2-12: GIG’s capacity-building assistance is highly valued by key counterparts and other stakeholders.**

Key GIG counterparts called for an expansion of GIG’s capacity-building efforts. According to GDVC, now that Vietnam’s legal and regulatory framework for trade facilitation has been significantly improved, GIG should shift its focus from strengthening the legal and regulatory framework to capacity building. GDVC drew attention to the need for capacity building in strategic planning, application of modern techniques for customs management, and development of a performance assessment framework. GDVC specifically noted a role for GIG in conducting training-of-trainer courses. Finally, GDVC found great value in knowledge transfer activities conducted with the Vietnam Steel Association through the customs–business partnership and recommended similar activities with other business associations. PMU noted that capacity-building technical assistance is the GIG aspect that the MOJ appreciates most.

**Finding 2-13: Beneficiaries of GIG capacity-building activities highly value exposure to GIG trade facilitation experts who provide information on best practices.**

GIG capacity-building activities have included workshops, training courses, field visits, and studies. On various occasions, GIG has invited international trade facilitation experts to conduct trainings or share insights on best practices for trade facilitation. Experts highlighted by interview respondents were drawn from various sectors and included representatives from foreign government agencies, such as the U.S. Customs and Border Protection; private enterprises, such as member organizations of the American Chamber of Commerce; and people with trade experience, such as a congresswoman from Mexico who was involved in North American Free Trade Agreement (NAFTA) negotiations. Representatives from the MOJ PMU, MOIT, and provincial agencies such as DOIT in HCMC noted that they would like to see GIG prioritize these types of technical trainings in GIG programming. MOIT specifically felt GIG could provide valuable training in implementing self-certification of origin procedures under the TPP agreement, noting that Vietnamese customs officials needed training to verify the authenticity of certificates of origin and detect fraud.

**Finding 2-14: GDVC acknowledged the value of GIG capacity-building activities in addressing GDVC’s needs — especially with respect to capacity building for risk-based customs administration.**

At the central level, GDVC highlighted valuable GIG support for trade facilitation practices such as risk-based customs administration. Prior to GIG’s involvement, MOF’s Circular 175/TT-BTC, for example, which was issued in 2003, provided regulations on compliance measurement, but those technical measures were not applied. In 2015, GDVC conducted a pilot program on compliance measurement for imported scraps of select goods (iron, steel, plastic, paper) passing through select seaports. U.S. Customs officials trained staff from the GDVC RMD and local customs bureaus in appropriate data collection techniques. Following completion of the pilot, GDVC evaluated the pilot’s performance and now aims to implement the program nationwide. According to activity documentation — and confirmed by Customs officials in Da Nang — a similar compliance management pilot scheme was to be rolled out in Hai Phong between June and August 2016.

**Finding 2-15: GIG has conducted few capacity-building activities targeting agencies in charge of specialized management of exports and imports.**

While GIG has conducted events focusing on consultation, review, and revision of the legal and regulatory framework for specialized management of exports and imports, government agencies in charge of specialized management of exports and imports received limited or no capacity-building

assistance from GIG, in part because many of them had not been designated as primary or ad hoc GIG counterparts and GIG cannot directly provide technical assistance to such agencies. Only a small segment of GIG's capacity-building activities have targeted specialized management agencies. Consequently, important trade facilitation measures — such as electronic submission and processing of export and import documents — that have been successfully rolled out for Customs have not been replicated in border agencies responsible for specialized management of exports and imports. One international delivery services company noted that automated procedures for customs clearance satisfy only some of their business needs and have not been implemented to address challenges related to specialized management.

**Finding 2-16: Border agencies at the provincial and local levels have less exposure to GIG-supported capacity building.**

A number of respondents indicated that the government's commitment to reform is strong at the central level but less so at the provincial and local levels. According to one international delivery services company, this is partly because reforms often affect the benefits of officials who are supposed to implement them at the local level. The Customs office in Da Nang, for example, attended a GIG workshop on risk management and found it to be useful and targeted to the right groups, but noted that the office's needs for training remain high. Respondents from Customs in HCMC had no familiarity with GIG and did not see themselves as the direct beneficiaries of GIG activities. Instead, respondents in HCMC indicated that GDVC in Hanoi must serve as a conduit for relevant trainings or workshops from GIG. DOIT in HCMC similarly had no knowledge of GIG activities aimed at capacity building for local government agencies, but were recipients of support from their respective offices in Hanoi. DOIT officials in HCMC, for example, indicated that they held workshops on trade-related issues such as rules of origin, TBT, and trade remedies, among other things.

**Finding 2-17: GIG supported capacity-building activities to improve the capacity of border agencies to address issues that are important for larger commercial enterprises.**

Large enterprises are often the only ones that can take advantage when new systems are introduced. For example, with regard to self-certification, one multinational corporation made clear that self-certification is the responsibility of the enterprise. An enterprise can work with government counterparts, but must invest the time and resources to build necessary internal capacity to conduct self-certification. Similarly, another large multinational corporation drew attention to challenges imposed by risk management systems. To gain eligibility within such a system, enterprises must upgrade internal operations to ensure that internal controls and compliance mechanisms are in place and that compliance can be verified. This entails significant expenditure of time and resources.

**Finding 2-18: SMEs have limited capacity and access to capacity-building activities for trade facilitation.**

SMEs often fail to keep pace with trade regulations and practices, such as specialized management systems. Respondents outlined limitations to the ability of SMEs to engage with government trade facilitation services. The Center for Trade, Investment and Tourism Promotion in Hanoi, for example, noted that SMEs usually do not have an adequate awareness or knowledge of trade facilitation issues, do not actively access information on FTAs and are limited in terms of capacity, activeness, collaboration and competitiveness. The VINASME, which counts 63,000 members in 53 provinces, called for practical supports for enterprises, such as guidance on export markets, tariff and non-tariff barriers, trade procedures and rules of origin.



**Finding 2-19: GIG does not currently monitor progress in institutional capacity building as a result of its activities.**

GIG has not yet developed indicators for measuring institutional capacity. GIG staff noted the challenges of measuring increases in institutional capacity that may result from capacity-building activities, in part because many individual institutions may contribute to improvements resulting from increased capacity.

**Conclusions for EQ 2**

**Conclusion 2-1:** GIG does not prioritize capacity building and carried out a relatively small number of activities that entailed capacity building at SRV border agencies. The GDVC was the only beneficiary or one of the primary beneficiaries of most of these activities. The other border agencies, including those responsible for specialized management of exports and imports, received limited or no capacity-building assistance from GIG. Accordingly, GIG made greater progress in capacity building at the GDVC than at the other border agencies.

**Conclusion 2-2:** GIG has focused on and achieved greater progress in building Vietnam's border agencies' capacity for trade facilitation at the central level than at the provincial level.

**Conclusion 2-3:** In other areas of capacity building, such as situation/gap analysis, GIG's assistance has had a positive impact. However, in some other areas, such as with respect to compliance measurement, there is little evidence of impact — although impacts may become visible over the remainder of the project.

**Conclusion 2-4:** Stakeholders value GIG capacity building and perceive additional needs that GIG could address in the future. This is especially the case for local unit of border agencies.

**Conclusion 2-5:** Variance in the capacity and size of enterprises in the business community presents private sector challenges to capacity building for trade facilitation. Enterprises are positioned differently to obtain value from GIG's capacity-building activities. SMEs are not operationally or financially equipped to take advantage of risk-based customs clearance, although an electronic customs clearance system is arguably more beneficial to SMEs than for large firms because SMEs have less staff resources needed for paper-based customs clearance.

## Evaluation Question 2a

*Have GIG's trainings, workshops, field visits, and other capacity-building activities resulted in sustainable capacity for Vietnam's border agencies (including GDVC and others), with respect to trade facilitation? If so, which types interventions have been most effective?*

### Summary of Conclusions for EQ 2a

Strengthened capacity for trade facilitation is likely to be sustained within the head office of the GDVC due to the high levels of ownership and political and financial commitment in this institution. However, capacity established within other key government entities involved in trade facilitation, including agencies responsible for specialized management of exports and imports and local units of the GDVC, is less likely to be sustained due primarily to lower levels of participation and/or institutional ownership.

As detailed in the Evaluation Design and Methodology section of this report, assessing whether GIG has contributed to sustainable improvements in trade facilitation capacity required the evaluation team to

assess GIG’s capacity-building activities holistically while considering the six sustainability factors identified in Table 7.<sup>20</sup> However, not every factor was relevant for every capacity-building activity.

**TABLE 7: SUSTAINABILITY FACTORS**

|                                      |  |
|--------------------------------------|--|
| <b>Policy</b>                        | Support is consistent with and supported by relevant government sectoral policies.   |
| <b>Participation &amp; Ownership</b> | Local stakeholders support the intervention, which responds to clearly expressed local needs.  |
| <b>Management &amp; Organization</b> | The project was cognizant of the capacities of local actors and incorporated sustainability as a key aspect of project delivery.                             |
| <b>Training Needs</b>                | The project assessed the training needs of project stakeholders and developed training that addressed these needs.   |
| <b>Financial</b>                     | Host institutions are capable of and committed to meeting the ongoing costs associated with the use of new practices.  |
| <b>Technology</b>                    | New technology/software provided by the project is appropriate for the required tasks and the project has accounted for any ongoing training and maintenance |

**Finding 2a-1: Trade facilitation practices and capacity measures supported by GIG are consistent with, and have been integrated into, Vietnam’s legal framework.**

According to GIG, the most important laws upgrading the legal and regulatory framework for trade facilitation, WTO compliance, and improving the business environment were introduced between 2004 and 2006, in preparation for Vietnam’s accession to the WTO. Toward these ends, a review of the Commercial Law of 2005 laid the foundation for a legal framework on trade-related issues. A new Law on Foreign Trade, expected to pass in 2017, will regulate government relationships with the private sector on matters such as rules of origin. The Commercial Law will be maintained with a focus on private sector relationships.

**Finding 2a-2: The government’s obligation to comply with provisions of international trade agreements ensures a need for trade facilitation capacity after GIG ends.**

GIG worked extensively with the Government of Vietnam to introduce processes for bringing legal and regulatory frameworks into compliance with the obligations of international trade agreements. As mentioned, Category A commitments under the WTO Trade Facilitation Agreement have been approved and submitted to the WTO. The signing of the TPP imposes obligations on the Government of Vietnam to revise its legal framework to comply with a new set of commitments. GIG has worked with MOJ and several border agencies to conduct a gap analysis and legal review of TPP commitments; this activity included trainings and focus group discussions with an inter-ministerial TPP Legal Review Working Group.

**Finding 2a-3: The GDVC and MOJ PMU are active participants in the design of GIG activities.**

According to GIG staff, its activities are demand-driven. Work plan development involves constant interaction between GIG and its primary and ad hoc counterparts. The MOJ PMU approves annual work plans, which guide GIG activity design and implementation. The PMU is so involved, in fact, that the annual work plan formulation process constrains long-term planning, as activities cannot always build on

<sup>20</sup> The clearest articulation of the six domains is reflected in the 2000 AusAID submission to the OECD-DAC Working Party on Aid Evaluation. See AusAID (2000). Promoting Practical Sustainability. DAC Working party on aid evaluation. (2000)

one another from year to year, illustrating real tradeoffs between government ownership of the GIG and flexibility of GIG design.

GDVC is an active participant in program planning. However, requests for assistance from GIG must be communicated via the MOJ PMU, where a steering committee approves requests. This process can delay activities and reduce flexibility in program planning. Similarly, MOJ PMU expressed frustration that GIG activity does not always align with annual work plans.

Work plan discrepancies notwithstanding, GIG's technical assistance generally appears to be tailored to stakeholder needs. For example, GIG support to establish an IT system for notification enquiry for TBT was specifically requested by the Vietnam WTO/TBT Notification Authority and Enquiry Point (Vietnam TBT Office). STAMEQ expects that features such as the system's integrated Vietnamese translation function for TBT notifications of WTO member countries will assist Vietnamese businesses that have limited knowledge of TBT in other countries.

**Finding 2a-4: Select border agencies and other stakeholders assume ownership of GIG-sponsored tools to monitor improvements in Customs performance.**

In addition to World Bank Doing Business indicators, GIG offered technical assistance to GDVC and VCCI to monitor improvements in trade facilitation through Customs customer satisfaction surveys, as mentioned. In 2015, with GIG support, Customs and the VCCI conducted a survey on the business community's satisfaction with customs procedures. External consultants have used the survey's results to recommend areas for improving Customs and to identify sources of inefficiency and corruption. GDVC responded to the recommendations of the survey by dispatching officers to select positions and providing necessary training. Also through this activity, Customs officials have received training in survey development, data collection, and data analysis and reporting.

**Finding 2a-5: Provincial officials have not participated in the design of GIG capacity-building activities.**

Customs officials in HCMC professed a lack of familiarity with the GIG program; Customs officials in Da Nang expressed a desire for more training. But respondents in the private sector consistently distinguished between the spirit of the law as articulated in resolutions promulgated by the central government in Hanoi and the implementation of these resolutions at the provincial level. Capacity for implementation will be requisite if GIG trade-facilitation practices are to be sustained beyond the lifetime of the program.

**Finding 2a-6: Large enterprises and trade associations in the private sector are supportive of the adoption of new trade-facilitation practices.**

Representatives of large multinational enterprises and industry trade associations consistently recognized improvements not only in the legal and regulatory framework and public consultation process with Customs officials, but also in the general performance of Customs. VCCI, for example, which has a membership of 10,000 enterprises nationwide (including 3,600 in HCMC and 500 in Da Nang), expressed a preference for self-certification of origin and electronic systems for port clearance, while acknowledging that large enterprises are primarily able to benefit. At the same time, given their resources and influence in associations such as AmCham, large enterprises are positioned well to advocate for the continuation of trade facilitation practices beyond the end of GIG. The program, in fact, expressed a desire for greater involvement by the private sector, but the Government of Vietnam prefers to keep many proceedings confidential.

**Finding 2a-7: Participation in GIG activities by various government agencies have network externalities that contribute to the sustainability of trade facilitation practices.**

Relationships between officials across border agencies are important to the sustainability of trade facilitation practices, particularly given that specialized inspection of goods — often involving multiple agencies — is a key part of clearing goods through Customs. Better relationships between Customs and other ministries increase the GDVC’s familiarity with specialized inspection requirements to expedite the clearance process.

**Finding 2a-8: GIG targets its capacity-building efforts to government agencies that serve training functions to ensure the sustainability of trade facilitation capacity.**

GIG officials noted that the program aims to target agencies with training divisions in an effort to increase the effectiveness and sustainability of its capacity-building activities. Agencies such as the Department of Industry and Trade in HCMC referred to government training efforts, including a 10-year action plan to provide training for businesses.

**Finding 2a-9: The majority of GIG capacity-building activities are delivered through workshops, with little use of train-the-trainer models.**

A review of GIG program documentation and sentiments expressed by GDVC stakeholders confirmed that the majority of GIG capacity-building activities are delivered through workshops, the most prominent exceptions being the training courses on rules of origin and self-certification of origin. GDVC notes that when GIG has provided training to its staff, it has not applied a train-the-trainer model, which would promote sustainability of developed capacity.

**Finding 2a-10: Resolution 19 and other trade-facilitation policies promoted by GIG define targets and measurable performance indicators that extend beyond the lifetime of GIG.**

GIG has conducted activities designed to build knowledge of World Bank Doing Business indicators and methodology with relevant Vietnam border agencies. In 2014, the Government of Vietnam adopted Doing Business indicators and assigned the CIEM to formalize Doing Business targets through the drafting of Resolution 19. CIEM monitors the implementation of this resolution. GIG provided CIEM with technical assistance in adopting the Doing Business methodology, setting targets, and conducting gap analysis between Vietnam law and commitments to ASEAN countries. Particular effort was made to implement Resolution 19 in HCMC and Quang Ninh province.

In part because the implementation of Resolution 19 has been legally mandated, respondents in Vietnam’s border agencies, at both the central and provincial levels, indicated significant buy-in to the objectives established by the Resolution. HCMC Customs, for example, commented that Version 3 of Resolution 19 has had stronger impact than versions 1 and 2 and has strong support from both government agencies and the business community.

**Finding 2a-11: GIG has not developed indicators for measuring long-term institutional capacity or the performance of specialized management agencies.**

GIG recognizes that many organizations contribute to trade facilitation capacity, which presents challenges to measuring institutional capacity. At this point, a sustainability assessment of the program has not been conducted and the performance of specialized management agencies is not being tracked.

**Finding 2a-12: GIG has begun to formulate a training strategy to address the sustainability of its capacity-building efforts for self-certification.**

The TPP agreement requires the implementation of importer self-certification systems by 2023. Under TPP guidelines, self-certification of origin of goods can be conducted by the producer, trader, or importer. In 2014, GIG worked with MOIT to develop Circular 28 to pilot producer self-certification. As noted, to assist with that effort, GIG is working with MOIT and VCCI to establish a training center for self-certification.

**Finding 2a-13: There is evidence that host institutions are committed to meeting recurrent costs to sustain trade-facilitation capacity built under GIG.**

According to GIG, change to the legal and regulatory framework to promote trade facilitation is likely to continue to occur after the program concludes, although financial constraints will likely limit the pace at which change occurs. For example, the GDVC is committed to modernizing the VNACCS and financing its recurrent cost. STAMEQ, which operates the electronic TBT notification system established with GIG's support, confirmed its intention to maintain the system beyond the life of GIG.

**Finding 2a-14: Development of the GIG-supported electronic TBT notification system is ongoing and requires attention to malfunctions, upgrades, and maintenance.**

According to STAMEQ, remaining technical challenges to the sustainability of the system include automating Standard International Trade Classification code entry, reducing processing time, expanding the search function to include keyword searches, and provision of training, training materials, and an operations manual. At least one delivery service enterprise pointed to problems with the e-system for customs clearance, noting that some steps had been corrupted.

**Conclusions for EQ 2a**

**Conclusion 2a-1:** The emphasis on trade facilitation and improving the business environment at the highest levels of the SRV government and the anticipation of the TPP agreement have generated a favorable environment for sustainability.

**Conclusion 2a-2:** The management of GIG through the PMU and counterpart agencies has generated high levels of ownership and promotes capacity building that is responsive to stakeholder needs.

**Conclusion 2a-3:** GIG promotes sustainability by focusing capacity building on institutions with training functions, but does not always use training modalities (e.g., train-the-trainer) that would facilitate capacity sustainment.

**Conclusion 2a-4:** Although no evidence confirms this across all agencies, at least some stakeholders have committed to meeting the recurring costs of sustaining capacity.

**Conclusion 2a-5:** Strengthened capacity for trade facilitation is likely to be sustained within the head office of the GDVC, due to the high levels of ownership and political and financial commitment in this institution. Capacity established within other government entities involved in trade facilitation, including agencies responsible for specialized management of exports and imports and local units of the GDVC, are less likely to be sustained due primarily to lower levels of participation and/or institutional ownership.

**Conclusion 2a-6:** Given the small number of capacity-building activities undertaken by GIG, it is impossible to establish with reasonable certainty which types of activities have been most effective in building sustainable capacity for trade facilitation at Vietnam's border agencies.

## Evaluation Question 3

*Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?*

### Summary of Conclusions for EQ 3

GIG contributed to increased collaboration between the GDVC and the business community by supporting workshops on customs–business partnership and many other events that brought together customs officials and representatives of the business community. GIG also helped ensure that the business community took active part in these events and that genuine two-way communication took place between the GDVC and the business community during the events. The VTFA, which was established with GIG’s assistance and is mostly financed by GIG, became a fairly effective mechanism for the partnership between the GDVC and the business community on matters pertaining to trade facilitation.

This section presents general findings related to changes in partnership dynamics between Vietnamese Customs and the business community and discusses the extent to which GIG has contributed to these changes. Consistent with the WCO’s Customs–Business Partnership Guidance, this evaluation report uses a broad definition of customs-business collaboration and partnership. According to this definition, customs–business partnership includes customs–business consultations and various institutional arrangements and mechanisms that entail collaboration between a customs administration and the business community. A customs–business partnership is needed to facilitate international trade while enabling customs administrations to discharge their security, revenue collection, and enforcement responsibilities effectively.

#### **Finding 3-1: GDVC has taken steps over the past three years to establish greater partnership with the business community.**

Over the last three years, GDVC signed cooperation agreements with several business associations, including the VCCI, VITAS, and Vietnam Steel Association. In 2014, the GDVC set up a Customs–Business Working Group including representatives of various departments of the GDVC, which was tasked with strengthening the partnership between the GDVC and the business community. In 2015, Vietnam relaxed the eligibility criteria for firms to apply for the authorized economic operator (AEO) status.<sup>21</sup> The number of AEOs rose from 16 in May 2014 to 51 in July 2016.

#### **Finding 3-2: Several stakeholders from the business community confirmed that Customs authorities have become more responsive and collaborative.**

According to staff of several business associations, Customs authorities cooperated more with the business community and became more responsive to their concerns, suggestions, requests, and queries (although ample room for further improvements exists). Increased collaboration between Vietnam Customs and the business community helped Customs improve regulations and procedures and made it easier for many businesses to trade across borders.

#### **Finding 3-3: GIG helped GDVC conduct a conference and several workshops on customs–business partnership that entailed consultations between GDVC and the business**

<sup>21</sup> The WCO defines an AEO as “a party involved in the international movement of goods in whatever function that has been approved by or on behalf of a national customs administration as complying with WCO or equivalent supply chain security standards.” AEOs enjoy certain privileges (e.g., priority treatment) in customs clearance of their exports and imports. Many countries have an AEO program, which is a form of customs–business partnership. Vietnam launched its AEO program in 2011.

## **community on how to strengthen the partnership.**

In May 2014, GIG helped the Customs Modernization Board of the GDVC conduct a conference on customs–business partnership. More than 130 people attended, including central and local customs officials, representatives of the business community, and two international consultants engaged by GIG. They reviewed the Customs Reform and Modernization Board’s Guidelines for Development of Customs–Business Partnership, GDVC’s Plan for Development of Customs–Business Partnership for the period 2013–2015, AEO Program, draft customs broker and compliant trader programs, draft regulation on the coordination mechanism for the development of customs–business partnership, draft guidelines on customs–business consultations, and international experience with customs–business partnership. The GIG consultants gave presentations on Australia and the United States’ experiences with customs–business partnership and on how these experiences could be useful to Vietnam. Following the conference, the GDVC set up the Customs–Business Working Group and signed a cooperation agreement with the VCCI.

In October–November 2014, GIG and the GDVC, VCCI, and the American Chamber of Commerce in Vietnam (AmCham) conducted two workshops on the role of customs–business partnership in implementing the FTA. Around 360 people, including customs officials and representatives of the business community and universities, participated in the workshops. They discussed how the GDVC and the business community of Vietnam could cooperate in implementing the TFA. They also made suggestions on changes in customs regulations and procedures, which would facilitate trade and help fulfill Vietnam’s commitments under the FTA.

In December 2014, GIG and the GDV conducted two more workshops on customs-business partnership. Participants included more than 200 people, including central and local customs officials, representatives of the business community, and journalists. They reviewed several draft documents prepared by the Customs–Business Working Group of the GDVC, including the draft of GDVC Decision 1200, the draft strategic plan for strengthening the customs-business partnership, draft customs–business consultation mechanism, draft customs–business cooperation program for 2015, and the draft customs–business consultation program for 2015.

In May 2015, GIG helped the GDVC conduct a workshop on the establishment of a national committee on trade facilitation (NCTF). About 80 people attended, including officials of the GDVC and other relevant government agencies and representatives of the business community and universities. They reviewed various options for setting up a NCTF in compliance with the TFA.<sup>22</sup> They also discussed how the business community could participate in the establishment and activities of the NCTF and how the NCTF could serve as a mechanism for cooperation between the business community and government agencies, including the GDVC, in trade facilitation matters. A GIG expert presented an options paper on the creation of a NCTF in Vietnam. The paper identifies a preferred option: to expand the mandate of the Single Window committee so that it could also serve as the NCTF. Taking account of the discussions at this workshop and the aforementioned workshops on the role of customs–business partnership in implementing the FTA, the GDVC subsequently accepted the option recommended by GIG, and proposed to the prime minister that the National Steering Board of the ASEAN Single Window and the National Single Window be transformed into the National Steering Committee on the ASEAN Single Window, the National Single Window, and Trade Facilitation.<sup>23</sup> The prime minister approved the proposal in October 2016.

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<sup>22</sup> The WTO TFA requires all member countries to set up and maintain a NCTF or designate an existing mechanism to facilitate domestic coordination and implementation of the agreement.

<sup>23</sup> The prime minister approved the GDVC’s proposal in October 2016.

**Finding 3-4: In collaboration with the GDVC and other government entities, GIG conducted dozens of other events that involved dialogue between Vietnam customs and the business community.**

In addition to the conference and the workshops focused on customs–business partnership, GIG conducted — in collaboration with the GDVC and other government entities — dozens of events, including public consultation and information dissemination events, which brought together customs officials and representatives of the business community.

**Finding 3-5: Stakeholders of the business community describe GIG-supported workshops and events as contributing to strengthened relationships between customs officials and the business community and especially appreciate GIG’s role as a neutral facilitator.**

As mentioned, large numbers of business community representatives attended GIG-supported public consultation and information dissemination events; many took active part in discussions and there was genuine two-way communication between government agencies (including the GDVC) and the business community. Many customs officials and representatives of the business community told the evaluation team that these events had been quite effective in strengthening the partnership between the GDVC and the business community, with GIG playing the role of a neutral facilitator.<sup>24</sup>

**Finding 3-6: GIG supported Vietnam in improving and expanding its AEO program.**

On May 12, 2015, the MOF issued Circular No. 72/2015/TT-BTC on AEOs (“Circular 72”). As GIG recommended, Decree 08 and Circular 72 relaxed the eligibility criteria for firms to apply for the AEO status. In particular, the minimum amount of export revenue needed to apply for AEO status was reduced from USD \$50 million to \$30 million for agricultural and fishing companies. Other companies are now eligible to apply for the AEO status if their export-import turnover is not less than USD \$100 million (previously USD \$200 million), or they manufacture goods in Vietnam and their exports of goods of own production is not less than USD \$40 million (previously USD \$50 million). In addition, Circular 72 decentralized the responsibility for processing customs declarations of AEOs to local customs authorities and gave additional privileges to AEOs. Consequently, the number of AEOs rose from 16 in May 2014 to 51 in July 2016, as mentioned.

**Finding 3-7: With GIG’s assistance, members of the Advisory Committee on Commercial Operations (COAC) to the U.S. Customs and Border Protection (CBP) visited Vietnam and conducted a workshop on customs–business partnership.**

With GIG’s assistance, several members of the COAC to the U.S. CBP visited Vietnam in March 2016. As part of the visit, they conducted a workshop on customs–business partnership in HCMC on March 23, 2016. Attendees included representatives of the GDVC, other government agencies, and business associations. The workshop participants shared best practices in customs–business partnership and trade facilitation. The COAC members provided an overview of the COAC, the development of an electronic Single Window in the U.S., and the achievements of the Customs–Trade Partnership against Terrorism program.

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<sup>24</sup> However, one staff member of a major business association told the evaluation team that the GIG had not had a significant impact on the relationship between the business community and the GDVC. Some business associations reported a good relationship with the GDVC since before the implementation of GIG began.



**Finding 3-8: GIG provided support to the GDVC and the VCCI in conducting the 2015 Survey on Business Satisfaction with Customs Administrative Procedures and launching the survey report.**

GIG provided support to the GDVC and the VCCI in conducting the 2015 Survey on Business Satisfaction with Customs Administrative Procedures.<sup>25</sup> More than 3,000 VCCI member companies from many cities, provinces, and industries took part, providing their assessments of various aspects of customs administration in Vietnam, including professionalism and integrity of customs officials.

In cooperation with the GDVC and the VCCI, GIG also conducted a workshop at which the survey report was launched.<sup>26</sup> More than 100 people attended, including GDVC officials, representatives of the business community, and journalists. Media covered the workshop and the survey results extensively, which increased pressure on the GDVC to act on the survey findings. In turn, the GDVC held a series of internal meetings to discuss the survey results and took measures (such as providing additional training to staff, revising some customs regulations, and reducing the number of administrative procedures) to improve aspects of customs administration that the business community assessed as inadequate. The number of administrative procedures was reduced from 225 in late 2015 to 165 in mid-2016. The survey proved to be an effective tool for the business community to provide feedback to the GDVC on Customs procedures and the performance of Customs officials.

However, one key informant told the evaluation team that that GIG's contribution to the 2015 Survey of Business Satisfaction with Customs Administrative Procedures was insignificant. Moreover, GIG's involvement "made things more complicated," although it might have helped convince the GDVC to agree to the release of the survey results.<sup>27</sup> Working with other technical assistance projects and development agencies, such as the USAID/Vietnam Support for Trade Acceleration (STAR) Plus project and the International Financial Corporation, was easier than working with GIG because GIG was bureaucratic. The VCCI and the GDVC agreed to conduct the 2016 Survey on Business Satisfaction with Customs Administrative Procedures without involving GIG.

**Finding 3-7: GIG helped establish the VTFA, a business association alliance based in HCMC that focuses on promoting trade facilitation.**

By providing grant financing, GIG helped the AmCham and the VCCI establish the VTFA in April 2015. The VTFA membership subsequently expanded to include the VITAS, LEFASO, the Handicraft and Wood Association (HAWA), and the Leading Business Club. The Vietnam Logistics Association and Taiwan Chamber of Commerce in Vietnam announced their intention to join the VTFA and, as of June 30, 2016, were in the process of formalizing the membership. The number of VTFA member association companies was about 10,900 as of mid-2016.

The VTFA facilitates dialogue between the business community and SRV government entities, including the GDVC, and advises them on trade facilitation matters. It also undertakes analytical work on topics pertinent to trade facilitation. VTFA technical experts often participate in GIG-supported consultations

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<sup>25</sup> In particular, the GIG helped the GDVC and the VCCI develop the survey methodology (including the survey questionnaire), process and analyze survey data, and prepare a survey report. The GIG also partially financed the cost of conducting the survey. Previously, without the GIG's support, the VCCI conducted two surveys on businesses' satisfaction with customs procedures, using somewhat different methodology. The results of those surveys were not released to the general public. In the opinion of GIG staff, the GDVC agreed to the releases of the 2015 survey results because of GIG's "active advocacy."

<sup>26</sup> The workshop took place in Hanoi on November 12, 2015. The GIG's contribution to the workshop included logistical support and partial financing of its cost.

<sup>27</sup> According to the key informant, even without the GIG's involvement, the GDVC would have most likely agreed to the release of the 2015 survey results because it was under pressure to do so. The VCCI had conducted — in collaboration with the General Department of Taxes of the MOF and with financial support of the International Financial Corporation — a similar survey on tax procedures, and the General Department of Taxes agreed to the release of the results of that survey. This created pressure on the GDVC to cooperate with the VCCI in conducting a new survey on businesses' satisfaction with Customs procedures and to release its results.

workshops on trade facilitation. The VTFA plays an important role in communicating the business community's concerns and priorities with regard to trade facilitation to the SRV government and providing the SRV government with issue-oriented advice on behalf of businesses. Furthermore, the VTFA provides technical assistance to Vietnamese firms to help them export their products.

As mentioned, the VTFA pioneered an approach, new for Vietnam, to consultations between the business community and government agencies. The VTFA holds regular consultations with the customs departments of HCMC and the Binh Duong and Dong Nai provinces and the local units of other border agencies. The consultations focus on specific trade facilitation issues that are of particular concern to businesses. Prior to each consultation with the Customs authorities and other border agencies, the VTFA conducts in-depth analysis of the issues to be discussed during the consultation and prepares written recommendations to the relevant government agencies. In doing so, the VTFA gathers and uses inputs from both of its member associations and non-member businesses. According to VTFA staff, this approach enhanced the effectiveness of consultations between the Customs administration and other border agencies and the business community. Customs and other border agency officials in the Key Southern Economic Region became more receptive to advice from the business community. Having built strong support for its trade facilitation initiatives among the business community and local government agencies in the Key Southern Economic Region, the VTFA became able to influence policymaking in Hanoi, despite being based in HCMC.<sup>28</sup>

The VTFA proposed to the GDVC that they both sign a memorandum of understanding on collaboration, which would involve regular and focused consultations. However, the GDVC declined the proposal on the grounds that the VTFA is not a legal entity. Yet, officials of the GDVC's head office in Hanoi emphasized to the evaluation team that the GDVC had been collaborating with the VTFA and would continue to do so, despite not having a formal cooperation agreement with it. The GDVC invited the VTFA to several consultation workshops in HCMC and would invite it to such workshops in the future.

A number of key informants gave the evaluation team a generally positive assessment of the VTFA. For example, the GDVC officials mentioned that the VTFA took active part in many workshops. A staff member of the VCCI said issues raised by the VTFA during consultations with the GDVC and other government agencies were important to the business community and that the VTFA helped improve some regulations pertaining to trade facilitation. However, the VTFA would have been more effective if it were based in Hanoi. A staff member of the HCMC Association of Women Executives and Entrepreneurs (HAWEE), which is not a member of the VTFA but closely collaborates with it, said the VTFA had highly qualified and responsive staff and quite effectively promoted trade facilitation. Customs-business consultation workshops organized by the VTFA were generally more effective than similar workshops organized by other business advocacy organizations.

**Finding 3-8: VTFA provided support to women-owned enterprises to take advantage of global supply chains.**

The VTFA provided many women-owned businesses with technical assistance in becoming suppliers to global supply chains. On December 11, 2015, the VTFA and the AmCham conducted an orientation for women-owned companies in HCMC. The purpose of the orientation was to prepare woman-owned firms to become suppliers to global supply chains and to help match them with global buyers of food products, furniture, textiles, and garments. Representatives of 132 women-owned businesses participated in the event. Representatives of D&B, InterTek, DiCentral, and VTFA explained various

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<sup>28</sup> The VTFA considered setting up an office in Hanoi but decided it could lead to confusion among SRV central government agencies in coordinating with the two USAID-funded entities (GIG and VTFA), both of which promote trade facilitation.

business, technical, and international trade requirements and identified service providers that can provide assistance in becoming suppliers to global supply chains.

On January 15, 2016, VTFA and Wal-Mart Stores Inc. (Walmart) conducted the Women-Owned Business Supplier Development Conference in HCMC. The conference's aim was to provide detailed guidance to women-owned firms and SMEs on becoming qualified suppliers to Walmart's global supply chain. The conference attracted 232 participants representing 120 companies. Approximately 30 of the prescreened companies submitted product samples and held buyer–seller sessions with Walmart's visiting procurement representatives. Walmart invited 17 of them to follow-up meetings.

### **Conclusions for EQ 3**

**Conclusion 3-1:** During the past three years, cooperation between GDVC and the business community — including business associations, domestic and foreign-owned private companies, and state-owned enterprises — increased considerably. In particular, consultations between GDVC and the business community improved markedly.

**Conclusion 3-2:** GIG facilitated and/or supported various forms of customs–business partnership, including customs–business consultations, an AEO program, a NCTF, and business perception surveys on customs administration.

**Conclusion 3-3:** GIG was particularly successful in improving customs–business consultations. It also contributed to the improvement and expansion of Vietnam's AEO program.

**Conclusion 3-4:** GIG helped the GDVC, in consultation with the business community, identify the best option for the establishment of the NCTF. The government of SRV subsequently adopted this option.

**Conclusion 3-5:** GIG supported the 2015 Survey on Business Satisfaction with Customs Administrative Procedures. The survey was an effective tool for the business community to provide feedback on customs procedures and performance of customs officials, as well as advance customs modernization. However, GIG's support for the survey was apparently not significant, as GDVC and VCCI decided to conduct the 2016 survey without GIG assistance.

**Conclusion 3-6:** The VTFA, which was established with GIG's assistance and is mostly financed by GIG, became a fairly effective mechanism for the partnership between the GDVC and the business community on matters pertaining to trade facilitation. In addition, it provided many women-owned businesses with technical assistance to become suppliers to global supply chains.

## **Evaluation Question 3a**

*Is there any geographic variation to GIG's achievement of this objective among Hanoi, HCMC, and other regions? If so, what factors have led to these differences?*

### **Summary of Conclusions for EQ 3a**

GIG's activities to facilitate partnerships between Vietnam Customs and the business community are concentrated in Hanoi, HCMC, and nearby provinces. The main reasons are that the GDVC's head office is in Hanoi; the head offices of most business associations are in Hanoi or HCMC; and Hanoi, HCMC, and neighboring provinces account for most of Vietnam's exports and imports.

**Finding 3a-1: Most of the GIG-supported events that brought together Customs officials and representatives of the business community were in Hanoi and HCMC.**

As mentioned, the GIG-supported conference on customs–business partnership and the GIG-supported workshop on the establishment of a NCTF were both held in Hanoi; two of the four GIG-supported workshops on customs-business partnership were conducted in Hanoi and the other two were held in HCMC. Of the other 28 events that GIG conducted in collaboration with the GDVC and that were attended by representatives of the business community, 14 took place in Hanoi, 13 took place in HCMC, and one took place in the northeastern province of Quang Ninh. No events occurred in any central provinces.

The attendees of the events that took place in Hanoi and Quang Ninh mostly included Customs officials and representatives of the business community from Hanoi and neighboring provinces. Most of the attendees of the events in HCMC were central and local Customs officials and representatives of the business community from HCMC and neighboring provinces. Small numbers of local Customs officials and business people from central provinces participated in some of these events.

**Finding 3a-2: The bulk of the companies whose employees attended GIG-supported public consultation and information dissemination events related to trade facilitation are based in Hanoi, HCMC, or provinces near these cities.**

The survey data suggest that firms based in Hanoi account for 16.7 percent of the companies whose employees attended GIG supported public consultation and information dissemination events related to trade facilitation; 40.3 percent of these companies are based in HCMC; and 42.2 percent are based in the provinces located near HCMC or Hanoi.

**Finding 3a-3: The VTFA’s geographical focus is on the Key Southern Economic Region.**

Although all VTFA members are national business associations with member companies located in many, if not all, provinces of Vietnam, the VTFA has geographic focus on HCMC and the Binh Duong and Dong Nai provinces. In particular, the VTFA closely collaborates with AmCham and the HAWEE (both based in HCMC), the HAWA (head office in HCMC), the HCMC branch of the VCCI, and the Customs departments of HCMC and the Binh Duong and Dong Nai provinces. Most of its activities are in HCMC.

**Finding 3a-4: Institutional and economic reasons explain the geographical disparity of GIG-facilitated partnerships between Customs and the business community.**

One institutional reason is that the head office of the GDVC is in Hanoi. Another institutional reason is that the head offices of most business associations are in either Hanoi or HCMC. The economic reason is that Hanoi, HCMC, and neighboring provinces account for the bulk of Vietnam’s exports and imports. For example, the Key Southern Economic Region accounts for approximately 83 percent of all seaborne exports and imports.

**Conclusions for EQ 3a**

**Conclusion 3a-1:** GIG facilitated partnerships between Vietnam Customs and the business community in areas concentrated in Hanoi, HCMC, and the provinces near these cities.

**Conclusion 3a-2:** The main reasons for the geographic disparities result are that GDVC’s head office in Hanoi; the head offices of most business associations are in Hanoi or HCMC; and Hanoi, HCMC, and neighboring provinces account for most of Vietnam’s exports and imports.

## Evaluation Question 3b

*Has GIG's communications campaign surrounding Resolution 19 changed targeted audiences' awareness and support for reforms to improve Vietnam's business environment? If so, how and for whom — including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups?*

### Summary of Conclusions for EQ 3b

Awareness of Resolution 19 and its implementation has improved within the central government, as has understanding of the World Bank's Doing Business indicators. However, it is impossible to determine to what extent GIG has contributed to this outcome, largely because respondents are not able to recall the avenues through which they became aware of Resolution 19 and cannot distinguish GIG-sponsored communications from more general media.

In March 2014, SRV issued Resolution 19, which required ministries and local authorities to improve the business environment and enhance national competitiveness. Targets established under that resolution were based on the World Bank's Doing Business indicators, which measure 10 aspects of business environment (e.g., time required to start a business, receive credit, etc.). Resolution 19 was updated in March 2015 and April 2016. The third version of the resolution charged the MOIC and some government-owned media outlets with the task of conducting a communications campaign on the resolution. GIG supported this campaign in collaboration with CIEM and other government entities. While GIG provided support in disseminating information about the resolution, the government's ownership of the reforms and commitment to the implementation of Resolution 19 were of vital importance. GIG's communications campaign should be considered in this context.

**Finding 3b-1: GIG communication staff supports public outreach through mass media to encourage media attendance at workshops, raise awareness of direct technical assistance activities, and influence the public image of the GIG program.**

GIG communications staff is in charge of coordinating with well-known newspapers and television outlets to keep them apprised of GIG workshops, field visits, and other program events. One avenue that GIG employs is inviting journalists and media to GIG-sponsored events relating to Resolution 19 and its implementation. According to GIG staff, most GIG workshops have a media presence. GIG encourages in-depth coverage on technical topics, such as tax and customs reform. Communication activities also ensure consistent donor and program branding.

In addition, on two occasions in 2014 and 2015, GIG contributed to news programs on Vietnamese television that discussed the overall implementation of Resolution 19. GIG also promotes the print media's coverage of its events and of efforts by relevant ministries to implement Resolution 19. At the same time, GIG does not allow its staff to speak directly to the media. It also discourages its staff from giving opening remarks at GIG-supported events. It instead encourages and supports direct communication of its counterparts with the media so that the public perceives that the government of SRV, and not GIG, is leading the reforms.

**Finding 3b-2: While some respondents described the GIG-supported communications campaign as a useful source of information regarding Resolution 19 for agencies and organizations in both the public and private sectors, other stakeholders had little or no familiarity with it.**

Respondents provided positive views of the GIG-supported Resolution 19 communications campaign, with particular support for GIG informational workshops, the main channel through which GIG helped

disseminate information about Resolution 19 and generate support for its implementation. Respondents from provincial agencies, such as Hanoi Department of Planning of Investment and Hanoi Customs, and from the private sector, such as a media outlet and an express delivery service in HCMC, noted receiving information pertaining to Resolution 19 from GIG-supported workshops.

However, many respondents did not recall becoming aware of the Resolution through GIG-sponsored activities, or they characterized the GIG communications campaign as merely one where many conduits of information could be obtained. A stakeholder from CIEM summed up their impression of the campaign as “minor, but useful.”

**Finding 3b-3: The GIG communications campaign is only one channel through which the public can learn about Resolution 19.**

Respondents mentioned several channels through which the public can learn about Resolution 19. The Saigon Times, for example, referred to VCCI, World Bank reports, and news outlets including Nguoi Lao Dong Newspaper, Tuoi Tre News, and Saigon Giai Phong as potential sources of information.

In addition to media, government plays a role disseminating information about Resolution 19. According to HCMC Investment and Trade Promotion Center, dissemination of Resolution 19 content by the government is the responsibility of the MOJ and MOIT, but a large multi-national enterprise in HCMC noted receiving information on Resolution 19 from Customs. Da Nang Customs pointed to information about the resolution uploaded onto its website for businesses to access.

**Finding 3b-4: GIG’s communication campaign surrounding Resolution 19 at times cannot be discerned from publicity pertaining to other trade-related topics.**

According to VTFA staff, the information campaign concerning Resolution 19 has had a positive effect on government support for reforms of the business environment, but it is difficult to disaggregate this information from more general excitement for reform and improvements to the business environment generated by Vietnam’s recently signed FTAs. Media publicity is focused on these FTAs and awareness of their promised benefits tends to overshadow other business- and trade-related topics.

**Finding 3b-5: The GIG communications campaign has not had a discernible differential impact on SMEs and firms owned by women and other disadvantaged groups in terms of their awareness of and support for reforms to improve the business environment in Vietnam.**

According to GIG staff, no communication strategy is specially designed for SMEs, women-owned enterprises, or disadvantaged groups. GDVC officials in Hanoi said after three years, many enterprises still do not know about Resolution 19. The GDVC officials believe this lack of awareness can be attributed to ineffective communication and doubts in the business community about the feasibility of the resolution. CIEM officials noted that they had invited representatives of SMEs to Resolution 19 workshops but had not given special consideration to gender aspects. The VINASME similarly noted that SMEs remain unaware of resolutions or perceive the resolution to be the providence of government agencies.

**Finding 3b-6: Within the private sector, enterprises require specific information regarding the implementation of Resolution 19.**

HCMC Department of Justice officials noted that media accounts tend to provide only general information and that challenges remain to understanding the details of the resolution. Actors in the private sector echoed this sentiment. SQ Corporation in Da Nang, for example, noted that the

government needs to find a suitable way to communicate Resolution 19 to enterprises, given that enterprises pay attention only to what is specific and practical for their businesses. Based on resolutions issued at the central level, local departments need to develop their action plans and inform specific issues to businesses. Validating this logic, a large multi-national enterprise in HCMC noted that Resolution 19 represents the spirit of the law, but not the execution. The company must wait for the decrees and circulars to know how changes to the regulatory framework will affect operations.

**Finding 3b-7: Perspectives varied on the degree of provincial awareness of and access to information about Resolution 19; some provinces are more engaged with implementation of Resolution 19 than others.**

According to NIF staff, there is a gap in the understanding of Resolution 19 between the central and local government levels. Many local government officials are not aware of the resolution. There are also differences in the awareness of the resolution even among central government agencies. VCCI, however, offered a different perspective, noting that the campaign for Resolution 19 helped each province or city to set targets and indicators for improving competitiveness. For example, in HCMC the People's Committee issued a Work Plan and assigned relevant departments to set and meet specific targets. According to CIEM, HCMC has become a champion in implementing Resolution 19 at the local level, and Hanoi is now following HCMC's lead.

**Finding 3b-8: GIG's monitoring system tracks the media coverage of GIG-supported events and GIG's inputs to the communication campaign surrounding Resolution 19, but does not track public awareness of the resolution.**

Currently, no indicators track public awareness of Resolution 19. GIG staff noted difficulties in tracking changes in public awareness of Resolution 19 due to its communications campaign, in particular by assessing the viewership of the GIG-supported television programs relating to the resolution. GIG's ability to monitor and influence the public awareness of Resolution 19 is constrained by the fact that GIG cannot directly work with the MOIC, which is in charge of the official communication campaign surrounding Resolution 19, but is not among the primary and ad hoc GIG counterparts approved by the PMU.

**Conclusions for EQ 3b**

**Conclusion 3b-1:** The awareness within the central government of Resolution 19 and its implementation, as well as understanding of the World Bank's Doing Business indicators (including the indicators on the ease of trading across borders), have improved.

**Conclusion 3b-2:** While GIG has supported improved communications within target ministries generally, there is little evidence that the Resolution 19 media campaign has increased awareness of and support for Resolution 19. This is in part because respondents are not able to recall the avenues through which they became aware of Resolution 19 and cannot distinguish GIG-sponsored communications from more general media.

**Conclusion 3b-3:** GIG workshops have served as a more effective means than media reports for increasing awareness of and support for reforms to improve Vietnam's business environment, as these are likely to involve more specific information useful to stakeholders.

**Conclusion 3b-4:** Target audiences benefit most from sector-specific or implementation-related information about Resolution 19. Preference for this level of specificity may favor sector- and implementation-focused workshops as a channel for dissemination of information about the resolution.

# RECOMMENDATIONS

While recognizing that GIG has limited flexibility in changing what it does and how it does because of the institutional and legal constraints it operates in, the evaluation team makes the following recommendations based on the preceding findings and conclusions and recommendations from key informants and survey participants:

## Recommendation 1

USAID and the PMU should rebalance the area focus of support for trade facilitation activities away from strengthening the legal and regulatory framework and toward capacity building, considering that Vietnam significantly strengthened its legal and regulatory framework for trade facilitation in recent years, but most border agencies' capacity for trade facilitation and the enforcement of many laws and regulations related to trade facilitation remains relatively weak.

## Recommendation 2

In supporting the implementation of Resolution 19, GIG/USAID should focus more on strengthening the capacity of government agencies, especially at the local level, to implement the reforms envisaged in the resolution, including the reforms aimed at reducing the time and cost of trading across borders.

## Recommendation 3

USAID and the PMU should collaborate with other donors and pertinent government agencies to develop and agree on a comprehensive program of technical assistance in capacity building for trade facilitation, possibly based upon the proposed list of Vietnam's Category C commitments under the TFA.

## Recommendation 4

GIG/USAID should provide more technical assistance (particularly capacity-building assistance) to the government agencies responsible for specialized management of exports and imports, considering that specialized management on average accounts for about 72 percent of clearance time for exports and imports and progress in improving specialized management of exports and imports has been slow.

## Recommendation 5

In providing capacity capacity-building technical assistance to the GDVC and other border agencies, GIG/USAID should continue to facilitate partnerships of Vietnamese border agencies with their U.S. counterparts and engage domestic and international experts who can provide information and share insights on international best practices.

## Recommendation 6

When providing capacity-building technical assistance to border agencies, particularly to agencies in charge of specialized management of exports and imports and to local units of border agencies, GIG/USAID should make more effort to ensure that its assistance will result in sustained strengthening of the capacity of the border agencies for trade facilitation. In particular, GIG/USAID should support training-of-trainers programs and proactively engage local units of border agencies in designing capacity-building activities.



## **Recommendation 7**

GIG/USAID should try to develop appropriate indicators for monitoring and evaluation of the outcomes of its capacity-building assistance to border agencies, and regularly collect data on these indicators.

## **Recommendation 8**

GIG and the PMU should streamline internal procedures to reduce the time needed for approval of requests for particular technical assistance and respond faster to such requests.

## **Recommendation 9**

GIG/USAID should resume collaboration with the VCCI in conducting annual surveys on businesses' satisfaction with customs procedures, try to expand the scope of the survey to include specialized management of exports and imports, and try to have questions on the impacts of the GIG's trade facilitation activities (including capacity-building activities) included in the survey questionnaire. To keep the scope of the survey manageable, a particular type of specialized management of exports and/or imports could be included in the survey every two to three years.

## **Recommendation 10**

GIG should make greater efforts to involve firms owned by ethnic minorities in public consultations, information dissemination events and field visits on laws, regulations, and international agreements related to trade facilitation, as well as keep a record of the participation of SMEs and firms owned by women, ethnic minorities, and other disadvantaged groups in these events (e.g., by including columns on SMEs and firms owned by women, ethnic minorities, and other disadvantaged groups in the event registration form).

## **Recommendation 11**

GIG should ensure that enough time is allotted for discussions and Q&A sessions during the GIG-supported public consultation and information dissemination events.

## **Recommendation 12**

GIG/USAID should rebalance the geographical focus of the support for trade facilitation (including support for capacity building and government-business partnerships) away from the northern and southern parts of Vietnam and toward its central part to help central provinces reduce the time and costs of trading across borders and increase their involvement in international trade. This will help make Vietnam's economic development geographically more inclusive.

# ANNEXES

- Annex A: Evaluation Statement of Work
- Annex B: Selected Legal Normative Documents Related to Trade Facilitation and Drafted with GIG's Assistance
- Annex C: Summary of GIG's Inputs to the Government Decree and MOF Circular Implementing the Revised Customs Law
- Annex D: GIG-Supported Public Dissemination and Consultation Events
- Annex E: Summary of GIG-Supported Capacity Building Activities
- Annex F: Research Instruments
- Annex G: Persons Consulted
- Annex H: GIG Responses to Trade Facilitation Mid-Term Evaluation

## Annex A: Statement of Work

### *Performance evaluation of Vietnam/GIG trade facilitation March 17, 2016*

#### **PURPOSE OF THE EVALUATION**

This performance evaluation focusing on trade facilitation aspects of USAID/Vietnam's Governance for Inclusive Growth contract will allow USAID/Vietnam, USAID/E3/TRR, and S/EAP to better understand and more effectively prioritize trade facilitation issues and corresponding technical assistance under GIG, any successor projects, and related economic diplomacy. This will yield a more informed approach to support the USG's trade-related goals under both ASEAN and the future Trans-Pacific Partnership (TPP), an important pending free trade agreement for both State and USAID. Many of GIG's current activities help prepare Vietnam for compliance with the TPP.

#### **SUMMARY INFORMATION**

|  |   |
|--|---|
| Activity/Project Name  | <i>Governance for Inclusive Growth (GIG) trade facilitation activities</i>                          |
| Implementer  | <i>Chemonics</i>  |
| Cooperative Agreement/Contract #                               | <i>AID-OAA-I-12-00035/AID-486-TO-14-00002</i>   |
| Total Estimated Ceiling of the Evaluated Project/Activity(TEC) | <i>\$42m</i>  |
| Life of Project/Activity                                       | <i>Dec 2013-Dec 2018</i>  |
| Active Geographic Regions                                      | <i>Five cities/provinces including Hanoi, Hai Phong, Ho Chi Minh City, Binh Duong and Dong Nai</i>  |
| Development Objective(s) (DOs)                                 | <i>Development Objective 1: Governance Enhanced to Facilitate Broader-Based, Sustainable Growth</i> |
| USAID Office<br>State Offices                                  | <i>E3/TRR and Vietnam/PRO and GDO<br/>State/EAP</i>   |

#### **BACKGROUND**

##### **Description of the Problem and Development Hypothesis**

Vietnam's opening to international trade over the last 20 years has been one of the most important drivers of rapid economic growth, political openness, and social development, including significant improvements in household incomes and reaching national lower middle-income status. Building on Vietnam's accession to the World Trade Organization in 2007 and its deepening economic integration within the region, the Government of Vietnam (GVN) is in the process of ratifying the WTO Trade Facilitation Agreement (WTO-TFA) and is currently negotiating the proposed Trans Pacific Partnership free trade agreement (TPP).

With an economy that is now quite open and integrated into global markets, the quality of economic governance is currently viewed by many to be a significant constraint to Vietnam's long-term competitiveness and sustainable economic growth. Failure to make the kind of transformation in its economic governance worldview will leave Vietnam vulnerable to further shocks, inflation, and growth

that is insufficient to generate necessary new employment opportunities for its population, 20.7 percent of whom have not yet been lifted out of poverty. A continued lack of transparency, accountability, and public participation in the promulgation of laws and regulations that impact social and economic development remains a central challenge.

The GVN has established a program for reform focused upon deepening Vietnam’s already impressive institutional reforms and promoting democracy by focusing on competitiveness in the business environment, rule of law, accountability and transparency. USAID has been a partner with the GVN in these reform efforts, first through programs such as the Support for Trade Acceleration (STAR) I, II, and Plus projects, and the Vietnam Competitiveness Initiative (VNCI) I and II projects. These projects have yielded concrete changes in Vietnam’s regulatory and legal environments, which have been critical to the implementation of the bilateral and WTO commitments.

USAID has continued its support to the reform in Vietnam with the Governance for Inclusive Growth Activity (GIG), which is aligned to USAID’s first Development Objective: “Governance Enhanced to Facilitate Broader-Based, Sustainable Growth.” The GIG activity has three integrated and overlapping components:

- Component 1: Improving legal and regulatory frameworks through dynamic, inclusive policy-making process. Activities under this component are designed to help improve the quality of laws and regulations by addressing deficiencies in both the flow of new regulations and the stock of existing regulations.
- Component 2: Improving accountability of public institutions. This component seeks to support more effective public administration and financial management by strengthening oversight, accountability, and transparency.
- Component 3: Improving inclusion and equality for marginalized groups. GIG will assist with the identification and reduction of legal and regulatory barriers for women, ethnic minorities, and other vulnerable groups through providing technical assistance to the stakeholders including Government agencies, civil society organizations and SME communities.

The Development Hypothesis of DO 1 is that if Governance is enhanced by improving policy- and rule-making, particularly in areas relevant to inclusion, and improved accountability, then Vietnam will make greater gains in broader-based, sustainable growth for its citizens

## **Results Frameworks**

Below is GIG’s project-wide results framework. This evaluation will focus on these results:

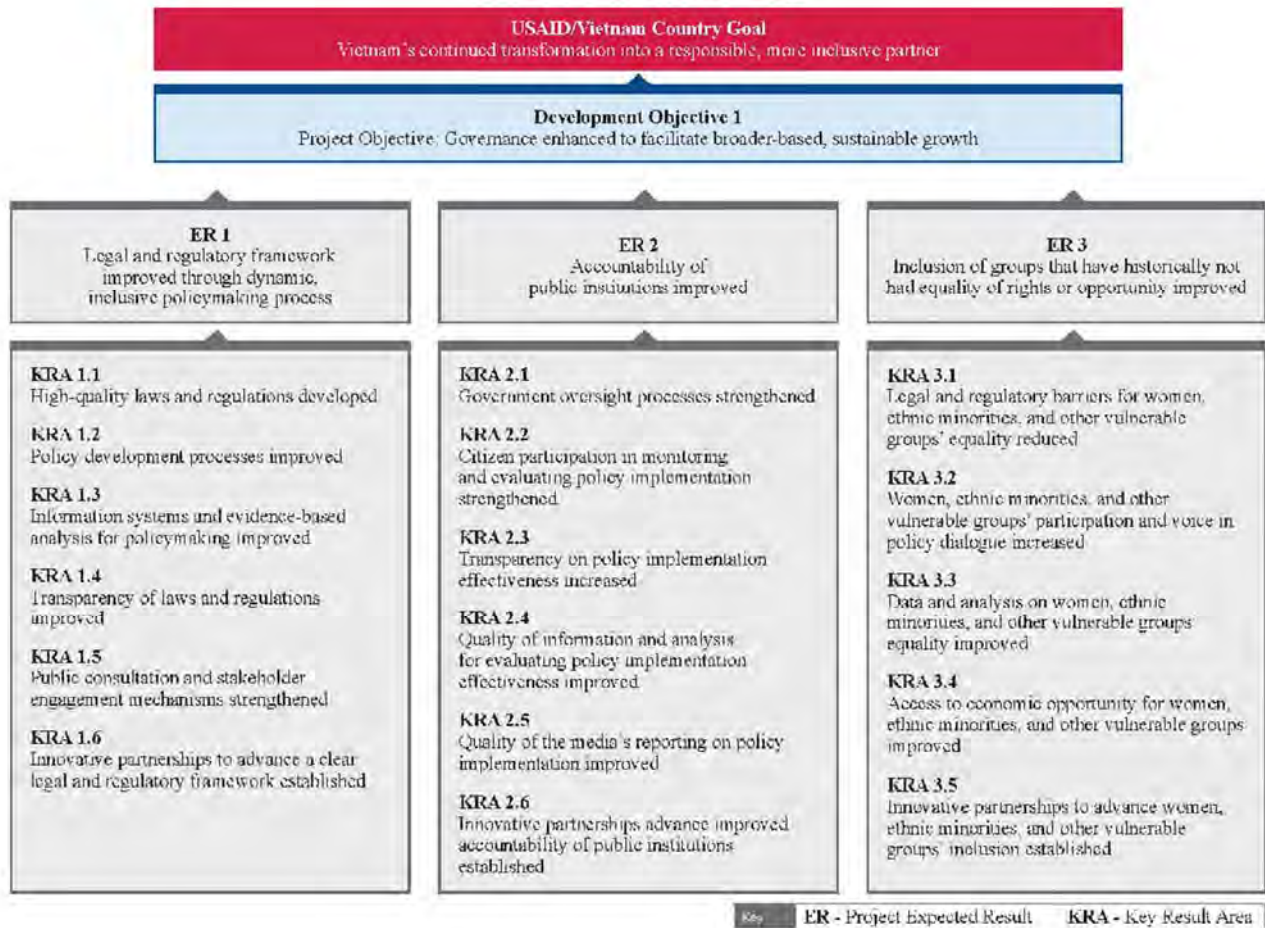
All of Expected Result 1 relevant to trade facilitation

KRA 3.1, 3.2, 3.4, 3.5 relevant to trade facilitation

## **Summary Activities to be evaluated**

This performance evaluation will focus the trade facilitation activities of GIG as captured under Expected Result 1 and Key Result Areas 3.1, 3.2, 3.4, 3.5 of Expected Result 3 in the results framework.

Vietnam GIG Results Framework



**Expected Result I: Trade, Legal and Regulatory Reform**

Expected Result I will be achieved through three priority program objectives. The three program objectives and descriptions of the types of activities that have been undertaken to achieve these objectives are provided below (although many activities are cross-cutting and correspond to multiple program objectives. The preliminary<sup>29</sup> list of all trade facilitation relevant activities and the sources of performance verification is included as Annex \_\_\_.

*Program Objective 1: Build a transparent and participatory law-making and regulatory process*

- TA to develop the legal framework for implementation of new WTO-TFA compliant laws
- Assessing policies on environment protection in manufacturing industry and in management of unsafe goods.
- TA support to develop Draft Law on Foreign Trade Administration
- Review and assess 10 years' implementation experience of the 2005 Commercial Law
- Support Vietnam to review the implementation of Resolution 19
- TA support for new resolution 19 for 2015
- Support training events on Regulatory Risk Assessments
- Provide information to the legislature on FTA and its role in their ratification

<sup>29</sup> The final list of relevant trade facilitation measures will be agreed with USAID following document review but prior to the initiation of field research.

- Support standards and procedures for addressing investor-state disputes and arbitration

*Program Objective 2: Enhance competitiveness and the business environment*

- Facilitating partnerships between government agencies and the private sector.
- Consult with businesses on specialized management of import-export goods to identify recommendations to simplify procedures.
- Provide a provincial training workshops on improving the business environment

*Program Objective 3: Improve trade facilitation and prepare for the TPP*

- Building capacity in key agencies to implement new Customs laws and regulations
- Developing metrics for measuring performance of trade-related government agencies.
- TA support to harmonize import/export categorizations to WCO standards.
- Support MOIT and facilitate dialogue with stakeholders to develop regulations on self-certification of Certificates of Origin
- Provide training on Self-Certification of Rule of Origin
- Support Central Institute for Economic Management to review and report on Resolution 19
- Conduct workshop with the legislature to provide information to members about the TPP
- Assess the impact of the TPP on various economic sectors and State budget revenues
- Provide support to develop the Electronic Notification System (ENS) for Technical Barriers to Trade (TBT) and Training workshop
- In addition to the activities under Expected Result 1, there are three activities under Expected Result three that are relevant for the evaluation - although some activities under ER 1 are cross-cutting and could be included under ER 3, and vice versa.
- Support the Vietnam Women Entrepreneurs Council to develop their strategy
- Support the expansion and efficacy of Vietnam Women Entrepreneurs Council so that it can improve its quality of service as a representative organization provided to women entrepreneurs in Vietnam
- Workshops to enhance knowledge of women entrepreneurs

### **Summary of the Activity/Project M&E Plan**

The GIG Program M&E team keep track of performance by collecting data against performance indicators. This has been done in collaboration with technical and operations teams. The performance tracking system includes:

- The Contract Performance Plan (CPP) – List of Indicators, developed at the start-up of the project. This CPP is reviewed and updated on an annual basis.
- The matrix of Key Result Areas and associated result indicators. The result indicator values are updated on quarterly basis;
- The Performance Indicator Reference Sheets (PIRS), which are updated when changes necessitate;
- The Data Quality Assessments (DQAs), updated in coordination with USAID on a periodic basis to ensure the quality of data;
- Event reports and consultancy reports;
- Filing system to ensure source of performance verification.

The performance indicator values are reported in quarterly reports, six-monthly reports and annual reports to USAID and Ministry of Justice of Vietnam.

The evaluation team will have access to all GIG performance reports, covering publicly available and relevant indicators such as on Doing Business, as well as these indicators with data sourced from the project:

- Number of policies/laws/regulations/procedures drafted, revised, and/or adopted to enhance governance and/or facilitate private sector participation and competitive markets as a result of GIG assistance
- 1.5.1. Number of GIG-supported public consultation events to improve Vietnam's legal and regulatory framework

Note that most of the relevant project-reported data are output-level indicators, so they are not reproduced here.

In addition, the evaluation team will have access to the raw data of the VCCI survey of members on customs services completed in 2015, although the full report is in Vietnamese only. Team members may need to sign a non-disclosure agreement for this raw data.

The GIG Program will provide other necessary documents as source of verification for the performance indicators related to trade facilitation (see Section V).

## EVALUATION QUESTIONS

1. Did GIG strengthen Vietnam's legal and regulatory framework in compliance with its international commitments under the U.S.-Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO) and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?
  - a. Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?
  - b. Are GIG interventions consistent with the needs and priorities of the GVN to comply with commitments under the TFA and TPP?
2. Is GIG progressing on its objective of building Vietnam border agencies' capacity for trade facilitation? (See GIG activity content for scope of "capacity.") If so, how and to what extent?
  - a. Has GIG's trainings, workshops, field visits and other capacity building activities resulted in sustainable capacity for Vietnam's border agencies (including GDVC and others) with respect to trade facilitation, and if so, which types interventions have been most effective?
3. Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?
  - a. Is there any geographic variation to GIG's achievement of this objective among Hanoi, HCM City and other regions? If so, what factors have led to the differences?
  - b. Has GIG's communications campaign surrounding Resolution 19 changed targeted audiences' awareness and support for reforms to improve Vietnam's business environment? If so, how, and for whom-- including different firm sizes, men and women-owned enterprises, and firms belonging to other disadvantaged groups?
4. Did GIG increase Vietnamese male and female business participants' competitiveness, defined as export-ready capacity, skills and behavior, including that of different-sized firms, men and women-owned enterprises, and firms led by other disadvantaged groups?

USAID and State also require a recommendation from the evaluation team as to how GIG could be more strategic and proactive in prioritizing different aspects of TA to GDVC and other GVN

counterparts, and more general recommendations based on findings on how GIG might improve their program.

## EVALUATION DESIGN AND METHODOLOGY

The Methodology column is illustrative and the evaluation team should propose specific methods appropriate to sufficiently answer each evaluation question within the resources available for this evaluation.

| Evaluation Questions  | Information Required and Sources  | Methodology  |
|---|---|--|
| <p>I. Did GIG strengthen Vietnam’s legal and regulatory framework in compliance with its international commitments under the U.S.-Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO) and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?</p> <p>a. Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?</p> <p>b. Are GIG interventions consistent with the needs and priorities of the GVN to comply with commitments under the TFA and TPP?</p> | <p>Information required:</p> <ul style="list-style-type: none"> <li>– Objectives of the GIG program</li> <li>– Key Result Areas and deliverables</li> <li>– Trade and customs related activity design, implementation and results.</li> <li>– Broader trade and investment information from GIG and trade/customs counterparts, and businesses.</li> </ul> <p>Potential sources of information:</p> <ul style="list-style-type: none"> <li>– Program document;</li> <li>– Contract between USAID and Chemonics;</li> <li>– Event reports;</li> <li>– GIG quarterly reports;</li> <li>– GIG weekly bullets;</li> <li>– USAID and US Trade reports</li> <li>– Government’s and other donors’ reports on trade and investment.</li> <li>– Experts, potentially including USTR, participants</li> </ul> | <ul style="list-style-type: none"> <li>– Desk review;</li> <li>– Interviews with key stakeholders and experts, including the Customs Agency and businesses</li> <li>– Surveys and interviews of industry, beneficiaries and other stakeholders in key cities and port areas</li> </ul> |
| <p>2. Is GIG progressing on its objective of building Vietnam border agencies’ capacity for trade facilitation? (See GIG activity content for scope of “capacity.”) If so, how and to what extent?<br/>Sub-question: Has GIG’s trainings, workshops, field visits and other capacity building activities resulted in sustainable capacity for Vietnam’s border agencies (including GDVC and others) with respect to trade</p>   | <p>As above</p>   | <p>Methodology: as above</p>   |



| Evaluation Questions   | Information Required and Sources   | Methodology     |
|--|--|-----------------|
| <p>facilitation, and if so, which types interventions have been most effective?<br/> “Sustainable capacity” means increased knowledge and improved practices that can be reasonably expected to continue beyond the project’s lifetime.</p>  |  |                 |
| <p>3. Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?<br/> a. Is there any geographic variation to GIG’s achievement of this objective among Hanoi, HCM City and other regions? If so, what factors have led to the differences?<br/> b. Has GIG’s communications campaign surrounding Resolution 19 changed targeted audiences’ awareness and support for reforms to improve Vietnam’s business environment? If so, how, and for whom-- including different firm sizes, men and women-owned enterprises, and firms belonging to other disadvantaged groups?</p> | <p>In addition to above, Media interviews (E.g. interviews CIEM on resolution 19, VCCI and VTFA and business associations)<br/> - VCCI survey of members on customs services (raw data?)</p> | <p>As above</p> |
| <p>4. Did GIG increase Vietnamese male and female business participants’ competitiveness, defined as export-ready capacity, skills and behavior, including that of different-sized firms, men and women-owned enterprises, and firms led by other disadvantaged groups?</p>  | <p>Same as for question 1</p>  | <p>As above</p> |

## DELIVERABLES AND REPORTING REQUIREMENTS

**Evaluation Design and Workplan:** By April 22 2016, the evaluation team must submit to the USAID activity manager and COR an evaluation design (which will become an annex to the Evaluation report). The evaluation design and workplan will include: (1) a detailed evaluation design matrix that links the Evaluation Questions in the SOW to data sources, methods, and the data analysis plan; (2) draft questionnaires and other data collection instruments or their main features; (3) the list of potential interviewees and sites to be visited and proposed selection criteria and/or sampling plan (must include calculations and a justification of sample size, plans as to how the sampling frame will be developed, and the sampling methodology); (4) known limitations to the evaluation design; (5) a dissemination plan; (6) a timeline confirming that below; and (7) a clear breakdown of the budget for this evaluation, including estimated LOE for specific staff and consultants and any subcontract costs.

USAID and State offices and relevant stakeholders are asked to take no more than two work weeks to review and consolidate comments through the USAID activity manager. Once the evaluation team receives the consolidated comments on the initial evaluation design and work plan, they are expected to return with a revised evaluation design and work plan within 1 workweek.

**In-briefing:** Within one day of arrival in Hanoi, the evaluation team will have an in-briefing with the USAID/Vietnam Mission for introductions and to discuss the team’s understanding of the assignment, initial assumptions, evaluation questions, methodology, and workplan, and/or to adjust the Statement of Work (SOW), if necessary.

**Midterm Briefing and Interim Meetings:** The evaluation team is expected to hold a midterm briefing with the USAID/Vietnam Mission on the status of the evaluation, including potential challenges and emerging opportunities. If field work locations or schedules do not permit the team to meet with the Mission in person during the field work period, telephone briefings can take the place of in-person briefings. The team will also provide the evaluation COR/manager with periodic briefings and feedback on the team's findings, as agreed upon during the in-briefing.

**Final Exit Briefing:** The evaluation team is expected to hold a final exit briefing with USAID, Embassy and GIG staff prior to leaving the country to discuss the status of data collection and preliminary findings. This presentation will be scheduled as agreed upon during the in-briefing.

**Final Presentations:** The evaluation team is expected to hold up to two final presentations in person and possibly using virtual conferencing software to discuss the summary of findings and recommendations for USAID and State in Washington, DC. This presentation will be scheduled as agreed upon during the in-briefing, for after submission of the final report.

**Draft Evaluation Report:** The draft evaluation report should be consistent with the guidance provided in Section IX: **Final Report Format**. The report will address each of the questions identified in the SOW and any other issues the team considers to have a bearing on the objectives of the evaluation. Any such issues can be included in the report only after consultation with USAID. Unless there are extenuating circumstances, the submission date for the draft evaluation report will be Aug 15, 2016. Once the initial draft evaluation report is submitted, USAID and State will have two work weeks in which to review and comment on the initial draft, after which point the activity manager will submit the consolidated comments to the evaluation team.

**Final Evaluation Report:** The evaluation team will be asked to take no more than two work weeks to respond/incorporate the final comments from State and USAID. The evaluation team will then submit the final report to the activity manager at the latest by September 16, 2016. All evaluation data and records will be submitted in full and should be in electronic form in easily readable format, organized and documented for use by those not fully familiar with the project or evaluation, and owned by USAID.

## **EVALUATION TEAM COMPOSITION**

The core evaluation team should be composed of at least two experts. As a whole, the evaluation team should have strong expertise in trade facilitation and customs and related issues in inclusive economic growth, evaluation methods, and Vietnamese linguistic and cultural fluency.

The team leader will be the main point of contact with USAID and possess at least 5 years of professional experience in international trade facilitation, preferably customs, and a relevant advanced degree, preferably in economics or law. Evaluation expertise and experience is a plus. The team leader must also have strong, demonstrated leadership and communication skills in order to manage an intercultural team and work with a variety of public and private stakeholders in the U.S. and Vietnam. Experience working in Vietnam is a plus.

The evaluation specialist should have an advanced degree in a relevant social science, such as economics or statistics. He/she should have at least 3 years' professional experience in evaluation, ideally in the context of low-income countries. The evaluation specialist must also have strong, demonstrated interpersonal and communication skills in order to collaborate with an intercultural team and a variety of public and private stakeholders in the U.S. and Vietnam. Vietnamese language skills are a plus.

All team members will be required to provide a signed statement attesting to a lack of conflict of interest or describing any existing conflict of interest.

The evaluation team shall demonstrate familiarity with USAID's [Evaluation Policy](#) and guidance included in the USAID Automated Directive System (ADS) in Chapter 200.

While USAID/E3/TRR plans to send a trade specialist to join the initial portion of the field work, this specialist will serve as a neutral advisor engaged in the entire evaluation planning process, and will not be able to help write the evaluation report. Other USAID and potentially State staff will participate in evaluation planning, and USAID/Vietnam staff will give input or participate in elements of field work, as logistics allow.

## **EVALUATION SCHEDULE**

Illustrative timeline for Vietnam trade facilitation evaluation

Feb 16-26: USAID/E3/TRR and USAID/Vietnam draft first cut of evaluation SOW, with input from Embassy/Hanoi, S/Washington

Feb 26-Mar 4: S/F clearance of evaluation SOW

Mar 7-18: E3 Analytics and Evaluation Project sends inputs and any questions to USAID/E3/TRR on draft evaluation SOW.

Mar 21- Mar 25: USAID/E3/TRR consolidates USAID/Vietnam and S responses to SOW questions and revisions from E3 Analytics and Evaluation Project.

Mar 28-Apr 8: USAID/E3/TRR and E3 Analytics and Evaluation Project finalize SOW.

Apr 4 – 22: E3 Analytics and Evaluation Project/MSI conducts desk review and drafts evaluation design and methodology, including draft data collection instruments/interview protocols. E3 Analytics and Evaluation Project also provides documents for USAID/Vietnam to send written advance notice to GVN of the evaluation fieldwork schedule and meeting request letters to offices that the team will visit (especially for those outside of Hanoi).

Apr 25-May 6: USAID/E3/TRR, USAID/Vietnam and DOS provide feedback on draft evaluation design and methodology

May 9-13: E3 Analytics and Evaluation Project finalizes methodology.

May 9-June 5: Evaluation team finalizes schedule and preparations for field meetings/interviews.

June 6–11: Evaluation team conducts phase 1 of field work.

July 4–16: Evaluation team conducts phase 2 of field work and delivers out-brief presentation to Mission.

Jul 18 – Aug 15: Evaluation team carries out data analysis and prepares draft evaluation report.

Aug 15: E3 Analytics and Evaluation Project delivers draft of evaluation report to USAID/E3/TRR.

Aug 15-26: USAID and S provide comments on draft evaluation report and send to E3 Analytics and Evaluation Project.

Aug 29 – Sep 15: E3 Analytics and Evaluation Project addresses USAID and S comments

Sep 16: E3 Analytics and Evaluation Project delivers final evaluation report

Oct: Presentation(s) on evaluation report at S and USAID

## FINAL REPORT FORMAT

The evaluation final report should include an executive summary; introduction; background of the local context and the projects being evaluated; the main evaluation questions; the methodology or methodologies; the limitations to the evaluation; findings, conclusions, and recommendations; and lessons learned (if applicable) as described [here](#). The report should be formatted according to the evaluation report [template](#).

The executive summary should be 3–5 pages in length and summarize the purpose, background of the project being evaluated, main evaluation questions, methods, findings, conclusions, and recommendations and lessons learned (if applicable).

The evaluation methodology shall be explained in the report in detail. Limitations to the evaluation shall be disclosed in the report, with particular attention to the limitations associated with the evaluation methodology (e.g., selection bias, recall bias, unobservable differences between comparator groups, etc.)

The annexes to the report shall include:

- The Evaluation SOW;
- Any statements of difference regarding significant unresolved differences of opinion by funders, implementers, and/or members of the evaluation team;
- All tools used in conducting the evaluation, such as questionnaires, checklists, and discussion guides;
- Sources of information, properly identified and listed; and
- [Disclosure of conflict of interest forms](#) for all evaluation team members, either attesting to a lack of conflicts of interest or describing existing conflicts of.

In accordance with [AIDAR 752.7005](#), the contractor will make the final evaluation reports publicly available through the Development Experience Clearinghouse within 30 calendar days of final approval of the formatted report.

## CRITERIA TO ENSURE THE QUALITY OF THE EVALUATION REPORT

Per the USAID Evaluation Policy and USAID ADS 203, draft and final evaluation reports will be evaluated against the following criteria to ensure the quality of the evaluation report.<sup>30</sup>

The evaluation report should represent a thoughtful, well-researched, and well-organized effort to objectively evaluate what worked in the project, what did not, and why.

Evaluation reports shall address all evaluation questions included in the SOW.

The evaluation report should include the SOW as an annex. All modifications to the SOW—whether in technical requirements, evaluation questions, evaluation team composition, methodology, or timeline—need to be agreed upon in writing by the AOR/COR.

The evaluation methodology shall be explained in detail. All tools used in conducting the evaluation—such as questionnaires, checklists, and discussion guides—will be included in an annex in the final report.

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<sup>30</sup> See Appendix I of the Evaluation Policy and the Evaluation Report Review Checklist from the Evaluation Toolkit for additional guidance.

Evaluation findings will assess outcomes and impact on males and females.

Limitations to the evaluation shall be disclosed in the report, with particular attention to the limitations associated with the evaluation methodology (selection bias, recall bias, unobservable differences between comparator groups, etc.).

Evaluation findings should be presented as analyzed facts, evidence, and data and not based on anecdotes, hearsay, or the compilation of people's opinions. Findings should be specific, concise, and supported by strong quantitative or qualitative evidence.

Sources of information need to be properly identified and listed in an annex.

Recommendations need to be supported by a specific set of findings.

Recommendations should be action-oriented, practical, and specific, with defined responsibility for the action.

## **OTHER REQUIREMENTS**

All quantitative data collected by the evaluation team must be provided in machine-readable, non-proprietary formats as required by USAID's Open Data policy (see ADS 579). The data should be organized and fully documented for use by those not fully familiar with the project or the evaluation. USAID will retain ownership of the survey and all datasets developed.

All modifications to the evaluation questions or deliverables described in this SOW need to be agreed upon in writing by the USAID Activity Manager for this evaluation. Any revisions should be updated in the SOW that is included as an annex to the Evaluation Report.

## **LIST OF ANNEXES**

GIG YEARS ONE, TWO AND THREE WORKPLANS

GIG YEARS ONE AND TWO PERFORMANCE REPORTS, YEAR THREE QI REPORT

VCCI SURVEY REPORT (VIETNAMESE)

List of GIG trade-related activities, outputs and verification sources

## EXHIBIT I: USAID APPROVAL TO MODIFY EVALUATION QUESTIONS

From: Nguyen Thi Bich Thuy  
Sent: Thursday, April 21, 2016 5:32 AM  
To: Anastasia de Santos  
Cc: Emily Rupp; Ha Nguyen Thi; Michael Trueblood; Paul Fekete; Reilly, Timothy  
Subject: Re: Updates to GIG evaluation questions

Hi Anastasia,

I missed the meeting with Tim last week but have had some follow-up conversations with my mission colleagues. We are fine with the proposed changes.

Keep up the good work!

Thank you very much.

Best regards,

Thuy Nguyen

Program Management Specialist | Office of Economic Growth and Governance (EG2)

On Tue, Apr 19, 2016 at 4:19 AM, Anastasia de Santos wrote:  
USAID/Hanoi colleagues, Paul

Hanoi colleagues, I'm glad some of you were able to meet Tim in person last week, which I'm afraid is more than I have actually done. He was able to get a better sense of GIG's work as well as available information for the evaluation from his trip. However, he did point out some issues with our planned evaluation questions, as he mentioned in Hanoi. I'm pasting them below.

1. Did GIG strengthen Vietnam's legal and regulatory framework in compliance with its international commitments under the U.S.-Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO) and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?

a. Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?

b. Are GIG interventions consistent with the needs and priorities of the GVN to comply with commitments under the TFA and TPP?[U1]

2. Is GIG progressing on its objective of building Vietnam border agencies' capacity for trade facilitation? (See GIG activity content for scope of "capacity.") If so, how and to what extent?

a. Has GIG's trainings, workshops, field visits and other capacity building activities resulted in sustainable capacity for Vietnam's border agencies (including GDVC and others) with respect to trade facilitation, and if so, which types interventions have been most effective?

3. Did GIG facilitate partnerships between Vietnamese Customs and the private sector to

establish a strong business environment for international trade in Vietnam? If so, how and to what extent?

a. Is there any geographic variation to GIG's achievement of this objective among Hanoi, HCM City and other regions? If so, what factors have led to the differences[U2] ?

b. Has GIG's communications campaign surrounding Resolution 19 changed targeted audiences' awareness and support for reforms to improve Vietnam's business environment? If so, how, and for whom-- including different firm sizes, men and women-owned enterprises, and firms belonging to other disadvantaged groups?

4. Did GIG increase Vietnamese male and female business participants' competitiveness, defined as export-ready capacity, skills and behavior, including that of different-sized firms, men and women-owned enterprises, and firms led by other disadvantaged groups[U3] ?

[U1]Less useful question because GIG responds to GVN requests—drop.

[U2]GIG team not sure of implication of findings here.

[U3]GIG does not build capacity of businesses; work to support women's entrepreneurship association is very small.

Bottom line recommendation from my conversation with Tim today is that we drop 1b. and 4. (I still think 3a is still valuable to USAID.) Please let us know 1) if you are ok with dropping these questions, and 2) are there other questions that you would like to answer regarding GIG's performance in trade facilitation? If you could let MSI and myself know by this Friday, Apr 22 your thoughts on these two points, that would help MSI finalize their evaluation design. If you need more time, please let me know and we can work around that too.

Thanks again,  
Anastasia

Anastasia de Santos  
Economist  
Office of Trade & Regulatory Reform  
Bureau for Economic Growth, Education & Environment  
U.S. Agency for International Development

## Annex B: Selected Legal Normative Documents Related to Trade Facilitation and Drafted with GIG's Assistance

| Document Type and Number                   | Subject Matter  | Date of Issuance (Effectiveness)     | GIG's Assistance in Drafting  |
|--|---|--------------------------------------|---|
| Revised law                                | Export and import duties  | April 6, 2016<br>(September 1, 2016) | Workshops and written comments  |
| Law  | Promulgation of legal normative documents   | June 3, 2015 (July 1, 2016)          | RIA and workshop  |
| Draft law                                  | Foreign trade administration  | N/A                                  | Technical discussion  |
| Draft amendments to the Commercial Law     | Commerce  | N/A                                  | Field visits, workshops and reports   |
| National Assembly Resolution No. 108/QH13. | Ratification of the TFA   | November 26, 2015                    | Workshops   |
| Government Decree No. 08/2015/ND-CP        | Implementation of the customs law with respect to customs procedures  | January 21, 2015                     | Written comments  |
| Government Decree No. 34/2016/ND-CP        | Implementation of the Law on Promulgation of Legal Normative Documents  | May 14, 2016 (July 1, 2016)          | Workshop and reports  |
| Government Resolution No. 19/NQ-CP         | Improvement of the business environment and enhancement of national competitiveness   | March 18, 2014                       | Workshop  |
| Government Resolution No. 19/NQ-CP         | Improvement of the business environment and enhancement of national competitiveness   | March 12, 2015                       | Support for the implementation of Resolution 19/2014  |
| Government Resolution No. 19/NQ-CP         | Improvement of the business environment and enhancement of national competitiveness   | April 28, 2015                       | Support for the implementation of Resolution 19/2015  |
| Prime Minister's Decision No. 2026/QD-TTg  | Specialized management of exports and imports   | November 17, 2015                    | Workshops and field visits  |
| Prime Minister's Decision No. 08/QD-TTg    | Standardization of administrative procedures  | January 6, 2015                      | Workshops   |
| MOF Circular No. 126/2014/TT-BTC           | Procedures for payment of taxes, charges and fees in connection with exportation and importation of goods                                 | August 28, 2014                      | Workshops and field visits as part of the support for the implementation of Resolution 19   |
| MOF Circular No. 14/2015/TT-BTC            | Classification of goods, analysis for classification of goods, and analysis for quality and food safety inspection of exports and imports | January 30, 2015                     | Workshop and assistance in translating the WCO Classification Notes and the Compendium of Classification Opinions into Vietnamese |
| MOF Circular No. 38/2015/TT-BTC            | Customs procedures, import-export duties and tax management with regard to imports and exports  | March 25, 2015                       | Workshops   |



|   |  |                             |   |
|---|--|-----------------------------|---|
| MOF Circular No. 39/2015/TT-BTC         | Customs valuation of imports and exports   | March 25, 2015              | Workshop  |
| MOF Circular No. 72/2015/TT-BTC         | Application of priority policy in customs procedures for exports and imports of authorized economic operators  | May 12, 2015                | Written comments  |
| MOF Circular No. 103/2015/TT-BTC        | Nomenclature of Vietnam's exports and imports  | July 1, 2015                | Workshop  |
| MOF Circular                            | Customs procedures with regard to exports and imports in duty free areas   | [Information Not Available] | Workshops   |
| MOF Circular                            | Customs procedures, import/export duties and tax management with regard to goods processing with foreign traders and importation of raw materials and supplies for the production of exports | [Information Not Available] | Workshops   |
| MOF Circular No. 184/2015/TT-BTC        | Procedures for payment of taxes, charges and fees in connection with exportation and importation of goods  | November 17, 2015           | Workshop  |
| MOIT Circular No. 28/2015/TT-BCT        | Introduction of the ASEAN scheme for self-certification of origin of goods by exporters  | August 20, 2015             | Field visits and workshops  |
| MOIT Circular No. 23/2016/TT-BCT        | Formaldehyde testing procedures for textiles products  | October 12, 2016            | Workshop  |
| MOH Circular No. 52/2015/TT-BYT         | Safety of food imports and exports   | December 21, 2015           | Workshop  |
| MOST Circular No. 23/2015/TT-BKHCHN     | Imports of used machinery and equipment  | November 13, 2015           | Comments  |
| MOF Official Letter No. 10015/TCHQ-GSQL | [Information Not Available]  | August 11, 2014             | Workshops and field visits as part of the support for the implementation of Resolution 19 |
| MOF Official Letter No. 11802/BTC-TCHQ  | [Information Not Available]  | August 22, 2014             | Workshops and field visits as part of the support for the implementation of Resolution 19 |
| MOF Official Letter No. 1950/BVTV-KD    | Solution of problems for businesses on the export quarantine issue   | September 29, 2015          | Field visits and workshops  |
| MOF Official Letter 8960/TCHQ-VP        | Order to local customs authorities to follow the guidance from the MARD  | October 1, 2015             | Field visits and workshops  |
| MOF Official Letter No. 9061/TCHQ-GSQL  | Order to local customs authorities to follow guidance on nine important matters related to customs procedures  | October 5, 2015             | Field visits and workshops  |

|   |  |                             |                            |
|---|--|-----------------------------|----------------------------|
| MOF Official Letters No. 9062/TCHQ-GSQL | Customs procedures for the member-companies of the Association of Seafood Producers and Exporters  | October 5, 2015             | Field visits and workshops |
| MOF Official Letter No. 9063/TCHQ-GSQL  | Customs procedures for the member-companies of the Vietnam Textile and Apparel Association   | October 5, 2015             | Field visits and workshops |
| MOF Official Letter 14603/BTC-TCHQ      | Simplification of specialized management of import-export goods  | October 19, 2015            | Field visits and workshops |
| MOF Official Letter No. 16120           | Statement of the use of materials/supplies, machinery, equipment, and exported goods under Article 60 of MOF Circular No. 38/2015/TT-BTC | November 2, 2015            | Comments                   |
| MOF Official Letter No. 18195/MOF       | Customs procedures under MOF Circular No. 38/2015/TT-BTC   | December 8, 2015            | Comments                   |
| MARD Official Letter No. 1950/BVTV-KD   | Quarantine certificate for exports of plants   | [Information Not Available] | Workshop                   |
| GDVC Decision No.1200/QD-TCHQ           | Collaboration of Vietnam customs with the business community   | April 25, 2015              | Workshops                  |

Source: GIG documents and information provided by GIG staff and other key informants and collected from the Internet.

## Annex C: Summary of GIG’s Inputs to the Government Decree and MOF Circulars Implementing the Revised Customs Law

GIG provided written comments on four draft versions of Government Decree No. 08/2015/ND-CP dated January 21, 2015 on the implementation of the revised Customs Law with respect to customs procedures (Decree 08) and on nine draft versions of MOF Circular No. 38/2015/TT-BTC dated March 25, 2015 on customs procedures, import-export duties and tax management with regard to imports and exports (Circular 38).

The following table summarizes the GIG’s major comments, which were aimed at improving customs administration (through simplification of custom administration procedures) and customs administration instruments (through application of automated and modernized instruments), and ensuring the transparency and the efficiency of customs administration in Vietnam.<sup>31</sup> The table also shows which of these comments have been reflected in the final version of Decree 08, Circular 38 or other government documents such as Government Resolution No. 19/NQ-CP dated March 12, 2015 (Resolution 19) and MOF Circular No. 72/2015/TT-BTC dated May 12, 2015 (Circular 72).

| Issue                                  | Content of the Draft  | Comments from GIG  | Accepted?   |
|--|---|--|---|
| Interpretation of terms                | Article 3 of Draft I of Decree 08 stated: “the first port of arrival is the national border port where the entry procedures for vehicles carrying imported goods stop are cleared”  | “the first port of arrival is the unloading port specified on the bill of lading”  | Accepted (Article 20 of Decree 08)  |
|  | The term: “specialized examination” was not included in the draft.  | Interpret the term “specialized examination”   | Accepted (Article 3 of Decree 08)   |
| Rules of following customs formalities | Article 4 of Draft I of Decree 08 stipulated the rules for carrying out custom procedures. However, it did not include some important rules which are popular and currently applied by the customs in other countries such as classifying enterprises for customs administration and self-declaration and self-responsibility by enterprises. | Add the following two rules:<br><br>1. Custom examination shall be carried out on the basis of the classification of enterprises, therefore, it is proposed to supplement provisions on the criteria or each type of enterprises and the method and level of the examination applied to each type of enterprises. On that basis, enterprises shall be classified into 3 categories (enterprises which are prioritized, enterprises which are well compliant to laws and enterprises which are poorly compliant to laws) for the application of different management levels. The application of this method will result in significant changes the management mode, shifting from the goods based management mode to business-based management mode | Accepted (Articles 13-15, 41 and 95 of Decree 08 and Articles 2, 8, 10 and 11 of Circular 38) |

<sup>31</sup> Relatively minor comments, such as the editorial comments, are not included in the table.

| Issue  | Content of the Draft  | Comments from GIG   | Accepted?   |
|--|---|---|---|
|  |   | 2. Self-declaration and self-responsibility by enterprises  |   |
| Customs clearance places                             | Article 5 of Draft I of Decree 08 stated: “based on the report on exports and imports in each period of time, the Prime Minister shall make a decision on the list of imported goods required to follow customs procedures at the port of entry”. | This provision is not transparent, taking away the proactive role (in planning, cost calculating) of enterprises. It should be excluded.  | Not accepted                                      |
| Objects of customs supervision                       | Article 6 of Draft I Decree 08 failed to cover all objects of customs supervision   | Add cargos that receive the permit for customs pre-clearance storage as an additional object of customs supervision;  | Accepted (Article 6 of Decree 08)                 |
| National Single-Window                               | Article 7 of draft Decree 08 (the summary table of comments of ministers) stipulated that only “state agencies” participated in the Single Window   | Technical service providing organizations that are authorized or designated by competent state authorities to perform the specialized examination should be involved in the Single Window. If state agencies are the only entities participating in the Single Window, only a small part of current bottleneck is solved.       | Not accepted                                      |
| Intervention of unscheduled stop of custom clearance | Article 15 of Draft I of Decree 08 stated: “related organizations, individuals shall request a sudden customs clearance halt for imports, exports, incoming, outgoing and in-transit goods and be liable for their request”.                      | This point should be taken away to avoid an arbitrary application   | Accepted (the point is not included in Decree 08) |
| Classification of goods                              | Article 15 of Draft I of Decree 08 stated that the rules of classification of goods must be compliant with the list of imports and exports and the tariffs.   | This provision of tariffs compliance was proposed to be removed because the tariffs must be compliant with the list of imports and exports. If it is stipulated that classification of goods must be compliant with both the List and the Tariffs, the problem of difference between the List and the Tariffs cannot be solved. | Accepted (Article 15 of Draft I was deleted)      |
| The database of customs value                        | Article 22 of Draft I of Decree 08 stated: “customs authorities shall use the database of customs values ...for customs value examination and consultation”.  | The database of customs values should only be considered as a tool for risk management.   | Accepted (Article 22 of Decree 08)                |
| Advanced ruling, HS code, origin                     | Article 23 of Draft I of Decree 08 stated: “Pre-determination of code, origin and customs values shall be applied to imports, exports before the customs clearance procedures”  | The provision “...applied to imports, exports before the customs clearance procedures” will limit the applicable entities being the goods of which the code, origin   | Accepted (Article 24 of Decree 08)                |

| Issue                      | Content of the Draft  | Comments from GIG   | Accepted?   |
|----------------------------|---|---|---|
|                            |   | and customs values need be pre-determined must be imported. It was proposed that the provision should be applied to goods which is planned to be imported.  |   |
|                            | The dossier described in Articles 25, 26 and 27 of Draft 2 of Decree 08 included purchasing contract, payment vouchers, and transport invoices.   | The provision requiring an application for pre-determination of codes and customs values must include necessary information. Documents as provided for in the Draft makes the pre-determination useless: goods already purchased, delivered and loaded on board, paid, enterprises shall not be able to change anything and even the customs values of the goods have been determined, it cannot be sold. | Accepted (Article 24 of Decree 08 and Article 7 of Circular 38) |
| Custom declaration         | Article 26 of Draft 1 of Decree 08 did not sufficiently regulate all forms of declaration.  | Add the form of one declaration for many import/export transactions   | Accepted (Article 25 of Decree 08)                              |
| Custom dossier             | Article 5 of Draft 1 of Circular 38: the customs dossiers for imports and exports that are exempt from taxes: c.4) Confirm and commit.... use machines, equipment ...need be imported to carry out search, exploration, development oil and gas mines: submission of one original copy; c.5) Confirm and commit...to use airplanes, oil rigs, ships...needed be imported, hired from foreign owners for production and business activities: submission of one original copy;  | Remove these documents from the dossiers. Since there is already a provision stipulating that customs declarers shall be responsible before law for their declared information, the provisions specified at clauses 4, 5 are unnecessary and it is just additional document submission burden on enterprises;   | Accepted: (Article 16 of Circular 38)                           |
| Certification of origin    | Article 13 of Draft 1 of Circular 38 stipulated: "If documents certifying the origin of goods at the time the customs declaration forms of the imported goods are registered are not submitted upon customs declaration, the declaring shall declare the preferential rates of import tax applied to Most Favored Nation (hereinafter referred to as "MFN rates") or ordinary rates. If additional documents proving goods origins are submitted by the deadline, the declarant shall make additional declaration at corresponding preferential rates". | The overpaid tax shall be refunded in accordance with tax law   | Accepted (Article 26 of Circular 38)                            |
| Custom inspection carryout | Article 28 of draft Decree 08 (the summary table of opinions of Ministers) stipulated that  | This provision does not clarify whether the inspection is carried out with the presence or in the   | Accepted (Article 29 of Circular 38)                            |

| Issue   | Content of the Draft  | Comments from GIG  | Accepted?   |
|---|---|--|---|
| during the unloading of goods at the checkpoint.    | “on the basis of results of the analysis of risk management information, the declaration of imported goods shall be provided before the goods arrive at the checkpoint. The customs authority shall decide inspection of goods using container scanners or other devices”.  | absence of the declarant. The clarification of this point is extremely important. If the inspection is carried out with the presence of the declarant, it is not necessary but if the inspection is carried out in the absence of the declarant, it violates the article 34 of the Law on Customs. So the question is who (goods owner or customs agency) is responsible to pay for lifting cost, movement of goods for inspection?<br>These points should be clarified to avoid arbitrary application.  |   |
| Physical inspection of goods                        | Article 26 of draft Circular 38 stipulated that “if customs civil servants do not have sufficient ground to determine the accuracy of the quantity and weight of goods a provider of customs professional services shall be requested to carry out the analysis or to provide an expert opinion to determine the quality of goods”. | This provision is not relevant. It is not clear how this organization “analyze” the quantity of goods. Due to the special characteristics of goods items (liquid, bulk cargos) and international trade practices, the quantity of goods is often determined by providers of expert opinions. It is proposed that: if the customs authority is unable to determine the weight of goods, a provider of expert opinions shall be requested and based on the results of expert assessment, the customs authority shall make decision on customs clearance. | Accepted (Article 29 of Circular 38)                                      |
| Costs of analysis provided by a professional agency | Article 30 Draft I of Decree 08 did not specify who shall be responsible for the payment.   | This provision should specify if analysis by a professional agency is requested by the customs authority, the customs authority shall have to pay for the cost incurred and if it is requested by the enterprise, the enterprise shall have to pay   | Accepted (Article 23 of Circular 38)                                      |
| Specialized inspection                              | Article 32 of Draft I of Decree 08 stated that “once the specialized examination authorities have examined, made conclusions, the custom authorities shall carry out examination of goods and make decisions on the customs clearance based on conditions, standards issued by state management agencies.”                          | I. Applying minimum inspection of the list of goods subject to custom inspection. Raw production materials shall not be subject to inspection.   | Accepted (Article 33 of Decree 08, and various articles of Resolution 19) |

| Issue               | Content of the Draft   | Comments from GIG  | Accepted?  |
|---------------------|--|--|--|
|                     |  | <p>2. Applying risk management; classifying enterprises to apply different levels of inspections.</p> <p>3. Proposing the customs authority not to examine examination results of specialized regulatory agencies. Ministries playing the role of specialized regulatory agencies shall provide standards, conditions, and instructions for the customs authority to carry out inspection of some goods items.</p> <p>4. Establishing multi-examination Labs at major checkpoints for cooperation in inspection carried out right at checkpoints.</p> <p>5. Recognizing inspection results from other countries; authorizing inspection of goods items subject to inspections by several ministries, agencies, units</p> |  |
| Customs supervision | Article 33 of Draft I of Decree 08 provided for complicated procedures, which would require enterprises to submit paper dossiers and show the goods, and the customs would examine the paper dossiers and inspect the goods. | The proposal helped create a fundamental change in supervision of the customs agency toward efficiently exploring the Cargo Manifest; share information between customs authorities and port and warehousing enterprises; allowing port and warehousing enterprises to carry out: delivery of goods of which customs clearance procedures are completed to the declarant; inform of the customs authorities of goods imported for more than 30 day, 90 days, of which import procedures have not been completed.   | Partially accepted (Article 34 of Decree 08 and Article 52 of Circular 38) |

| Issue  | Content of the Draft  | Comments from GIG  | Accepted?   |
|--|---|--|---|
| Priority regime  | Draft 1 of Circular 38 did not include a provision on exemption from inspection for enterprises eligible for preferential treatment.  | Include a provision on the application of preferential treatment: exemption of inspection of customs dossiers, physical inspection of goods, post-clearance inspection as stipulated by applicable law.  | Accepted (Articles 5 and 11 of Circular 72)   |
|  | Article 87 of Draft 1 of Decree 08 did not provide for preferential treatment in specialized inspections  | State that “preferential policy is applied to all customs procedures, specialized inspections”.  | Accepted (Article 9 of Decree 08 and Article 7 and 8 of Circular 72)  |
|  | Preferential policy as specified in Article 87 of Draft 1 and Article 11 of Draft 2 of Decree 08 was not something special. It was just a mechanism applied to all enterprises.   | Introduce preferential treatments, which involve “(1) replacement of declaration for each time with periodical declaration; (2) goods is released before the declaration of tax; (3) tax paying commitment in replacement of tax guarantee; (4) monthly tax declaration and payment... are the preferential treatments which have been already applied by many countries in the world, therefore, those treatments should be applied in Vietnam; (5) preferential treatment should be applied in issuing permits and specialized inspections.”     | Comment (5): Accepted (Article 9 of Decree 08 and Article 8 of Circular 72)<br><br>Comments (1), (2), (3) and (4): Not accepted |
|  | Article 11 of draft Circular 38 stipulated that goods on the list of toxic goods, goods on the list of goods subject to quarantine and food safety examinations shall not be eligible to exemption of dossier inspection or goods inspection. | It was proposed that this provision be removed.  | Accepted: (Circular 38 and Circular 72 do not include this provision)   |
| Condition on law compliance for enterprises eligible for preferential policy | Article 88 of Draft 1 of Decree 08 provided for the number of times that enterprises have committed violations of laws and regulations.   | This provision should be amended in the way that the rate of violations compared with the total number of customs declaration forms; or violated values compared with the total import, export turnover; or the ratio between the different amount of declared tax and the actual tax that must be paid. Lessons from other countries show that most of other countries have applied this method, no countries have been reported to applied the number of times of violation as the ground for decision on application of preferential treatment. | Accepted (Article 10 of Decree 08 and Article 12 of Circular 72)  |



| Issue  | Content of the Draft  | Comments from GIG   | Accepted?  |
|--|---|---|--|
| Conditions on import, export turnover for prioritized enterprises      | Article 12 of Draft 2 of Decree 08: “import, export turnover reached 150 million USD or made-in-Vietnam export reached 50 million USD/year”.  | The turnovers should be 100 million USD and 30 million USD alternatively. For logistic enterprises, the decision on the application of preferential treatment shall be made on the basis of the quantity of services provided/year (number of declaration forms filled, customs clearance for shipments)  | Accepted (Article 10 of Decree 08 and Article 13 of Circular 72) |
| Extension of the application of priority policy                        | Article 25 of Draft 1 of Circular 38: “Application of priority policy for prioritized enterprises”  | Simplify as much as possible the procedure for the extension of the application of priority policy for recognized enterprises   | Accepted (Article 25 of Circular 72)                             |
| Mutual recognition of prioritized enterprises                          | Article 92 of Draft 1 of Decree 38 stated: “The ministry of finance provides details of procedures, power to sign agreement.”   | This is an important issue and this should be stipulated by a legal document of high legality (at least a Decree issued by the Government)  | Not accepted   |
| Goods stored in bonded warehouse                                       | Article 96 of Draft 1 of Decree 08 stipulated that goods subject to excise tax is not stored in bonded warehouse (alcohol, beverage, cigarette, cigar, wood logs, sawn wood)  | Bonded warehouse is one of transshipment of goods that not all countries have sufficient conditions to run this business. Our country has good geographical advantage to run this business. To become a center of transshipment is an important policy. Therefore, it is not necessary to put excessive restrictions. The proposal is only goods which are prohibited from export, import as regulated by international treaties to which Vietnam is a signing party is not allowed to store in bonded warehouse; do not allow import of goods (from bonded warehouse) which is banned from importing to Vietnam. | Accepted (Article 85 of Decree 08)                               |
| Procedures for goods delivered to and dispatched from bonded warehouse | Article 45 of Draft 1 Circular 38 stipulated that the following goods were not permitted to be imported from bonded warehouses:<br>1) Goods to be undergone import procedure and border gates as regulated;<br>2) Goods belongs to the list of not encouraging goods CLAUSE ...”. | These two provisions are not relevant because:<br>this provision is a form of prohibition (at a certain level) to store these goods items in bonded warehouse. The door of bonded warehouse is considered as the border port to exchange goods with other countries, therefore, there should not be any restrictions on customs procedures here;<br>The policy not to encourage imports has already indicated by bans or permit applications. It makes no sense to prohibit   | Not accepted   |

| Issue  | Content of the Draft  | Comments from GIG   | Accepted?  |
|--|---|---|--|
|  |   | <p>customs procedure to be complete here just to show that imports are not encouraged.</p> <p>In short, these two provisions should be removed.</p>   |  |
| Time limit for customs clearance of imports  | Article 25 of the Law on Customs, clause I, point b: for imported goods, the customs declarations shall be submitted before goods arrive at border checkpoints or within 30 days after goods arrive at border checkpoints | <p>This provision will lead to an understanding: that more than 30 days from the date goods has arrived at the border checkpoint customs formalities have not been conducted is considered as a violation thus being subject to sanctions (this is also reason for request submission of D/O). To avoid the situation that fines, sanctions are applied to enterprise in an injustice manner (e.g. enterprises failed to conduct customs procedures due to external reasons), it is proposed that this provision should be combined with the one specified at point d, article 34 to guide: if more than 30 days from the date goods has arrived at the border checkpoint, customs formalities have not been conducted, the customs authority may apply physical inspection of goods in the absence of the goods owner in accordance with the provision specified at article 34</p> | Not accepted   |
| Use of electronic declaration forms  | Article 28 of Draft 2 of Decree 08 stated that “agencies using electronic declaration forms... shall not request the declarant to submit customs declaration forms.   | Supplement this with “and shall not request the declarant to submit customs declaration documents with signature, seal of the customs authority.  | Accepted (Article 25 of Decree 08)                               |
| Examination of production facilities and capability of enterprises having manufacturing contract or importing raw materials used for production of exports | Article 35 of Draft 1 of Decree 08 stated that “annually, the customs authority shall examine production facilities and capability ....to evaluate law compliance of organizations and individuals”.                      | Instead of conducting examinations on “annual” basis, examination shall be conducted based on risk management and classification of enterprises.  | Accepted (Article 39 of Decree 08 and Article 57 of Circular 38) |
| Customs management over entities   | Article 38-43 of the Draft 2 of Decree 08 covered procedures for importing raw materials, exporting products,   | I. When storing raw materials outside production facilities, enterprise just need to inform   | Comments 1, 3, 4 and 6: Accepted                                 |

| Issue   | Content of the Draft   | Comments from GIG  | Accepted?  |
|---|--|--|--|
| <p>having manufacturing contracts, importing raw materials used for production of exports</p> | <p>examining production facilities and capacities, examining use and inventory of materials, reporting, and inspecting of financial reports, which were manual, complicated and irrelevant (e.g. the customs authority shall decide whether raw materials are stored in or outside production sites, quarterly financial reports; inspection of production facilities, requires a written decision; changes of purpose of use of raw materials must be permitted by the customs authority...</p> | <p>the customs authority for monitoring purpose;</p> <p>2. The procedure for inspection of production facilities should be simplified where the customs authority just needs to inform the enterprise of the inspection, there is no need to issue any decision.</p> <p>3. When changing the purpose of use of raw materials, the enterprise just need to inform, declare and pay tax to the customs authority;</p> <p>4. Time for liquidation: for manufacturing contracts: after the contract is completed; for declaration document of imports: quarterly;</p> <p>5. Financial reporting regime, inspection regime (including inspection of production facilities, use of raw materials, financial reports) shall be implemented in accordance with the rule of risk management and classification of enterprises</p> | <p>(Article 37 of Decree 08 and Articles 21, 58-60 of Circular 38)</p> <p>Comments 2 and 5: Not accepted</p> |
| <p>Procedure for importation of material for the purpose of manufacture of export goods</p>   | <p>Article 72 of draft Circular stipulated that “Tax payer must have legitimate ownership with machinery and equipment at manufacturing base” to enjoy the tax grace of 275 days.</p>  | <p>This provision is inappropriate, limiting the business and manufacturing rights of the enterprises. Management purpose of custom is to ensure the use of material to match with the preferential of tax grace. Enterprises may own machines and equipment or lease for production provided that they will export all goods manufactured from material with tax grace. Proposing to apply</p>  | <p>Accepted (Article 70 of Circular 38)</p>  |

| Issue  | Content of the Draft   | Comments from GIG   | Accepted?                            |
|--|--|---|--------------------------------------|
|  |  | same as the case of processing goods: Enterprises to have the legitimate rights of utilization of machines and equipment That is sufficient.  |                                      |
| Customs procedures for commercial goods to be temporarily imported for re-export | Article 40 of Draft I of Circular 38 stated: “when checking the import goods custom dossier... custom officer compares the import-export purchasing contract with temporarily imported dossier, clearly notes the number of temporarily imported declaration, signs and seals on the import-export purchasing contract...” | This provision means that 100% of goods to be temporarily imported for export belong to the red and yellow channels, which is inappropriate. The provision to have re-export contract right at the time of temporary importation is also inappropriate, to bring difficulties to enterprises. It is proposing to revoke this provision. | Accepted (Article 82 of Circular 38) |

Source: GIG staff.

## Annex D: GIG-Supported Public Consultation and Information Dissemination Events Related to Trade Facilitation

| No. | Event Name  | Counterpart(s)   | Date               | Location | Number of Attendees |       |       |
|-----|---|--|--------------------|----------|---------------------|-------|-------|
|     |   |  |                    |          | Men                 | Women | Total |
| 1   | Seminar on the role of the National Assembly in the negotiation and ratification of free trade agreements (FTAs)                | National Assembly  | April 15, 2014     | Hanoi    | n.a.                | n.a.  | n.a.  |
| 2   | Seminar on the role of the National Assembly in the negotiation and ratification of FTAs  | National Assembly  | April 17, 2014     | HCMC     | n.a.                | n.a.  | n.a.  |
| 3   | Seminar on business competitiveness and FTAs: expectations and lessons learned  | National Assembly and Vietnam Chamber of Commerce and Industry | April 18, 2014     | HCMC     | 54                  | 42    | 96    |
| 4   | Conference on customs-business partnership  | General Department of Vietnam Customs (GDVC)                   | May 21, 2014       | Hanoi    | 97                  | 36    | 133   |
| 5   | Workshop on improving the business environment and enhancing national competitiveness   | Central Institute of Economic Management (CIEM)                | June 4, 2014       | Hanoi    | n.a.                | n.a.  | n.a.  |
| 6   | Workshop on the Bali package  | Ministry of Industry and Trade (MOIT)                          | [July-August] 2014 | Hanoi    | n.a.                | n.a.  | n.a.  |
| 7   | Workshop on the Bali package  | MOIT   | [July-August] 2014 | Da Nang  | n.a.                | n.a.  | n.a.  |
| 8   | Workshop on the Bali package  | MOIT   | [July-August] 2014 | HCMC     | n.a.                | n.a.  | n.a.  |
| 9   | Workshop on the implementation of Resolution 19: Simplification of customs procedures   | CIEM   | August 22, 2014    | HCMC     | 33                  | 23    | 56    |
| 10  | Workshop on the implementation of Resolution 19: Simplification of procedures for specialized management of imports and exports | CIEM   | September 25, 2014 | HCMC     | 48                  | 47    | 95    |

| No. | Event Name  | Counterpart(s)            | Date                | Location   | Number of Attendees |       |       |
|-----|---|---------------------------|---------------------|------------|---------------------|-------|-------|
|     |   |                           |                     |            | Men                 | Women | Total |
| 11  | Workshop on the implementation of Resolution 19: Simplification of procedures for specialized management of imports and exports | CIEM and GDVC             | October 10, 2014    | Hanoi      | 59                  | 73    | 132   |
| 12  | Workshop on customs-business partnership in implementing the Trade Facilitation Agreement (TFA)                                 | GDVC                      | October 14, 2014    | Hanoi      | 73                  | 126   | 199   |
| 13  | Consultation workshop on draft Ministry of Finance (MOF) circulars implementing the customs law                                 | GDVC                      | October 16-17, 2014 | Quảng Ninh | 92                  | 33    | 125   |
| 14  | Consultation workshop on draft MOF circulars implementing the customs law   | GDVC                      | October 21-22, 2014 | Hanoi      | 146                 | 48    | 194   |
| 15  | Consultation workshop on draft MOF circulars implementing the customs law   | GDVC                      | October 23-24, 2014 | HCMC       | 107                 | 51    | 158   |
| 16  | Consultation workshop on simplification of administrative procedures and reduction of administrative burden                     | Ministry of Justice (MOJ) | October 28, 2014    | HCMC       | 59                  | 20    | 79    |
| 17  | Consultation workshop on simplification of administrative procedures and reduction of administrative burden                     | MOJ                       | October 30, 2014    | Da Nang    | 51                  | 15    | 66    |
| 18  | Workshop on customs-business partnership in implementing the TFA  | GDVC                      | November 4, 2014    | HCMC       | 76                  | 86    | 162   |
| 19  | Consultation workshop on simplification of administrative procedures and reduction of administrative burden                     | MOJ                       | November 5, 2014    | Hanoi      | 55                  | 41    | 96    |
| 20  | Workshop on self-certification of origin in Vietnam under FTAs  | MOIT                      | November 6, 2014    | Hải Phòng  | 19                  | 40    | 59    |
| 21  | Workshop on self-certification of origin in Vietnam under FTAs  | MOIT                      | November 26, 2014   | HCMC       | 63                  | 90    | 153   |
| 22  | Consultation workshop on customs-business partnership   | GDVC                      | December 1, 2014    | Hanoi      | 90                  | 54    | 144   |
| 23  | Consultation workshop on customs-business partnership   | GDVC                      | December 4, 2014    | HCMC       | 107                 | 61    | 168   |
| 24  | Roundtable on developing a set of rules for drafting regulations on administrative procedures                                   | MOJ                       | December 12, 2014   | Hue City   | 18                  | 6     | 24    |

| No. | Event Name   | Counterpart(s)                          | Date              | Location | Number of Attendees |       |       |
|-----|--|---|-------------------|----------|---------------------|-------|-------|
|     |  |   |                   |          | Men                 | Women | Total |
| 25  | Roundtable on developing a set of rules for drafting regulations on administrative procedures  | MOJ                                     | December 13, 2014 | Hue City | 19                  | 25    | 44    |
| 26  | Workshop on enhancing competitiveness: Partnering with business on regulatory reforms  | CIEM                                    | March 19, 2015    | Hanoi    | 77                  | 55    | 132   |
| 27  | Workshop on business leadership and management in the context of free trade agreements   | Hanoi Association of Entrepreneur Women | March 27, 2015    | HCMC     | 11                  | 97    | 108   |
| 28  | Consultation workshop on the draft revised Law on Export and Import Duties   | GDVC                                    | April 10, 2015    | Hanoi    | 75                  | 40    | 115   |
| 29  | Consultation workshop on the draft revised Law on Export and Import Duties   | GDVC                                    | April 15, 2015    | HCMC     | 89                  | 86    | 175   |
| 30  | Workshop on establishing National Committee on Trade Facilitation in Vietnam   | GDVC                                    | May 15, 2015      | Hanoi    | 22                  | 23    | 45    |
| 31  | Workshop on the implementation of Resolution 19 on improving Vietnam's business environment and enhancing national competitiveness   | CIEM                                    | June 18, 2015     | Hanoi    | 72                  | 62    | 134   |
| 32  | Conference on the implementation and revision of MOF Circular No. 126/2014/TT-BTC on procedures for payment of taxes, fees and charges in connection with exportation and importation of goods | GDVC                                    | June 19, 2015     | HCMC     | 108                 | 83    | 191   |
| 33  | Workshop on reviewing legal documents on specialized management of imports and exports   | GDVC                                    | 23-25 June 2015   | Hanoi    | 30                  | 24    | 54    |
| 34  | Seminar on the role of the National Assembly in the ratification and implementation of FTAs  | National Assembly                       | July 20-21, 2015  | Hue City | 61                  | 19    | 80    |
| 35  | Consultation workshop on the draft revised Law on Export and Import Duties   | GDVC                                    | August 4, 2015    | Hanoi    | 31                  | 33    | 64    |
| 36  | Consultation workshop on the draft revised Law on Export and Import Duties   | GDVC                                    | August 7, 2015    | HCMC     | 37                  | 32    | 69    |
| 37  | Workshop on simplification of administrative procedures for specialized management of imports and exports  | GDVC                                    | August 14, 2015   | HCMC     | 84                  | 44    | 128   |

| No. | Event Name   | Counterpart(s)    | Date               | Location  | Number of Attendees |       |       |
|-----|--|-------------------|--------------------|-----------|---------------------|-------|-------|
|     |  |                   |                    |           | Men                 | Women | Total |
| 38  | Workshop on simplification of administrative procedures for specialized management of imports and exports                | GDVC              | August 17, 2015    | Hanoi     | 69                  | 56    | 125   |
| 39  | Business consultations on the implementation of the customs law and related regulations                                  | GDVC              | September 8, 2015  | Hanoi     | 79                  | 55    | 134   |
| 40  | Business consultations on the implementation of the customs law and related regulations                                  | GDVC              | September 10, 2015 | HCMC      | 58                  | 35    | 93    |
| 41  | Technical workshop on simplification of testing procedures for formaldehyde content in textile products                  | GDVC              | September 22, 2015 | HCMC      | 43                  | 39    | 82    |
| 42  | Technical workshop on simplification of quarantine procedures for exports and imports                                    | GDVC              | September 23, 2015 | HCMC      | 44                  | 26    | 70    |
| 43  | Consultative workshop on policy impact assessment to implement the 2015 Law on Promulgation of Legal Normative Documents | MOJ               | October 19, 2015   | Hanoi     | 20                  | 34    | 54    |
| 44  | Business consultations on the implementation of the Vietnam Automated Cargo Clearance System (VNACCS)                    | GDVC              | November 3, 2015   | Hanoi     | 55                  | 49    | 104   |
| 45  | Business consultations on the implementation of the VNACCS   | GDVC              | November 6, 2015   | HCMC      | 61                  | 53    | 114   |
| 46  | Conference on the Trans-Pacific Partnership (TPP) agreement  | National Assembly | March 4, 2016      | Vinh Phuc | 129                 | 52    | 181   |
| 47  | Conference on the TPP agreement  | MOIT              | March 9-11, 2016   | Vung Tau  | 32                  | 11    | 43    |

Source: GIG documents and information provided by GIG staff.



## Annex E: Summary of GIG's Capacity-Building Assistance to SRV Border Agencies

| Area of Capacity Building Assistance  | GIG Assistance  | Beneficiary border agency (agencies)            |
|---|---|---|
| Better understanding of the Harmonized Commodity Description and Coding System  | Workshop  | GDVC  |
| Compliance measurement and risk management in customs administration  | Workshop, policy and operational working sessions with US CBP officials, hands-on training in data analysis, and field visits | GDVC  |
| Electronic customs clearance system   | Workshops   | GDVC  |
| Rules of origin and self-certification of origin  | Workshops and field visit   | MOIT and GDVC                                   |
| Better understanding and institutionalization of the Doing Business indicators (including the indicators measuring the ease of trading across borders) and better knowledge of other countries' experiences with improving the business environment | Workshops   | GDVC, MOIT, MARD, MOST, MOH, MONRE              |
| Situation/gap analysis  | Workshops   | GDVC, MOIT, MARD, MOST, MOH, MONRE, MOT and MPI |
| Standardization of administrative procedures (including trade procedures)   | Workshops and development of a manual on drafting administrative procedure provisions of legal normative documents            | GDVC  |
| Facilitation of the access of Vietnam's businesses to TBT notifications of WTO member-countries   | New software and workshops  | STAMEQ of MOST                                  |

## Annex F: Field Research Instruments

### Modular Topic Guide – GIG Staff and Consultants

This Topic Guide is intended to be used in interviewing current and former GIG staff and consultants. It should be used to guide key informant interviews with these respondents and does not need to be read or delivered verbatim.

*For the purposes of this conversation, “trade facilitation” refers to simplification and harmonization of international trade procedures (including export and import procedures) and public consultations and availability of information on laws and regulations affecting trade procedures.*

#### I. Introduction

- a. Thank the respondent for taking the time to participate in the interview.
- b. Introduce yourself and the other evaluation team member(s) conducting the interview.
- c. State that (i) you are conducting a midterm performance evaluation of the trade facilitation activities of the USAID's Vietnam Governance for Inclusive Growth Program (GIG); (ii) the purpose of the evaluation is to help the USAID and other US government agencies to better understand the recent progress and outstanding issues in trade facilitation in Vietnam and more effectively prioritize corresponding technical assistance under the GIG, any successor projects, and related economic diplomacy; and (iii) you have learned from GIG documents and/or other people the evaluation team has interviewed that the respondent was involved in or is otherwise familiar with the certain GIG trade facilitation activity (activities).
- d. State the objective of the interview, which is to gather information on the GIG trade facilitation activities that the respondent was involved in or is otherwise familiar with.
- e. Mention approximately how long the interview will last.
- f. Mention that you and/or the other member(s) of the evaluation team will be taking notes.
- g. Read the standard MSI statement of informed consent.<sup>32</sup>
  - Please note whether the respondent would like to remain anonymous.
- h. Check whether the respondent has any questions.

#### II. Background information about the respondent

- a. If needed, ask the respondent what is (was) his/her position and what are (were) his/her responsibilities within the GIG.

#### III. Information about the activity [repeat the steps in this section for all GIG trade facilitation activity (including the activities entailing capacity building at the GDVC and other border agencies) that the respondent was involved in or is otherwise familiar with based on the information obtained from GIG documents and other respondents]

- a. Ask the respondent to provide the following information about the activity (if the information has not yet been obtained from GIG staff or other sources or is needed for triangulation):
  - The nature of the activity (workshop, field visit, research, etc.), when and where it was conducted and by whom.
  - Key counterpart individuals and/or entities.
  - GIG's contribution(s).

<sup>32</sup> Confidentiality does not need to be offered to GIG staff members, but--if requested--should be accommodated.

- Objectives of the activity.
  - The effectiveness of the activity in achieving its objectives and how it is assessed.
  - Its result(s)/outcome/impact relevant to trade facilitation.
  - Difficulties, if any, in carrying out the activity and external factors, if any, that prevented it from achieving its objectives, producing the expected results/outcome and/or having the intended impact.
  - Participants/beneficiaries, their names, e-mail addresses and phone numbers.<sup>33</sup>
- b. If the activity is relevant to Evaluation Questions 1a, 3 and 3b, ask (i) what the GIG did to ensure that representatives of small and medium-sized enterprises (SMEs) and firms owned by women and other disadvantaged groups participated in the activity and (ii) to what extent they actually participated in the activity.
  - c. If needed, ask the activity-specific question(s) that arose during the analysis of information obtained from other sources (e.g. GIG documents).

**IV. Additional information about the activity entailing capacity building [repeat this for all GIG trade facilitation activities that entailed capacity building at the GDVC and other border agencies and that the respondent was involved in or is otherwise familiar with based on the information obtained from GIG documents and other respondents]**

- a. Ask the respondent to answer the following questions as much as he/she can to help the evaluation team to assess the sustainability of capacity building at the GDVC and other border agencies:
  - Does the overall policy environment support the continued use of the practices supported by the activity?
  - Was the activity consistent with relevant sector policies?
  - To what extent key national stakeholders participated in the design and the implementation of the activity?
  - Have key national stakeholders been supportive of the adoption of the new practices supported by the activity?
  - Do the new practices supported by the activity meet a clearly expressed need on the part of key stakeholders?
  - Did GIG include sustainability of the practices supported by the activity as a Program objective?
  - Has GIG assessed the capacity of the relevant institutions to sustain the practices supported by the activity?
  - Has a sustainability monitoring framework been proposed in the GIG design or implemented as part of the program?
  - Have the needs for ongoing training been assessed and provided for by the GIG?
  - Has a training strategy been developed and described which addresses sustainability issues?
  - Will there be ongoing and recurrent costs associated with the continued use of the practices supported by the activity?
  - If so, are recurrent costs likely to be met?
  - Have the GDVC and other border agencies made a commitment to meeting the recurrent costs?<sup>34</sup>

**V. Conclusion**

- a. Thank the respondent for his/her time.
- b. Tell the respondent that he/she is welcome to contact you to ask questions at a later date if he/she wishes.

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<sup>33</sup> As of July 15, 2016, GIG staff has provided the names, e-mail addresses and/or phone numbers of many potential key informants and lists of the participants of all GIG workshops relevant to trade facilitation.

<sup>34</sup> If the activity entailed the provision of new technology, also ask whether the new technology is of appropriate quality and meets stakeholders' needs and if training and maintenance requirements have been specifically assessed and addressed.

## Modular Topic Guide – Government Officials

This Topic Guide is intended to be used in interviewing Vietnamese government officials. It should be used to guide key informant interviews with these respondents and does not need to be read or delivered verbatim.

The Topic Guide is modular in nature. It is unlikely that any respondent will be able to answer all the questions in the guide. Therefore, the questions in Sections IV - IX should be asked as needed and appropriate based upon the responses to the questions in Sections II and III and other background information (including Annex E of the Evaluation Design).

*For the purposes of this conversation, “trade facilitation” refers to simplification and harmonization of international trade procedures (including export and import procedures) and public consultations and availability of information on laws and regulations affecting trade procedures.*

### I. Introduction

- a. Thank the respondent for taking the time to participate in the interview.
- b. Introduce yourself and the other evaluation team member(s) conducting the interview.
- c. State that (i) you are conducting a midterm performance evaluation of the trade facilitation activities of the USAID's Vietnam Governance for Inclusive Growth Program (GIG); (ii) the purpose of the evaluation is to help the USAID and other US government agencies to better understand the recent progress and outstanding issues in trade facilitation in Vietnam and more effectively prioritize corresponding technical assistance under the GIG, any successor projects, and related economic diplomacy; and (iii) you have learned from GIG documents and/or other people the evaluation team has interviewed that the respondent was involved in or is otherwise familiar with certain GIG trade facilitation activity (activities) and/or he/she is knowledgeable about recent progress in trade facilitation in Vietnam.
- c. State the objectives of the interview, which are (i) to learn the respondent's opinion about the effectiveness of the GIG trade facilitation activities that he/she was involved in or is otherwise familiar with and/or (ii) ask him/her some questions about recent progress in trade facilitation in Vietnam.
- d. Mention approximately how long the interview will last.
- e. Mention that you and/or the other member(s) of the evaluation team will be taking notes.
- f. Read the standard MSI statement of informed consent.<sup>35</sup>
  - Please note whether the respondent would like to remain anonymous.
- g. Check whether the respondent has any questions.

### II. Background information about the respondent

- a. If needed and appropriate, ask the respondents what is his/her position and what are his/her responsibilities.
- b. If needed, ask the respondent what is the mandate of the department (agency) that he/she works for.

### III. Involvement in and familiarity with GIG trade facilitation activities

- a. Ask the respondent if he/she was indeed involved in a GIG trade facilitation activity (activities) and, if so, which activity (activities) he/she was involved in.

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<sup>35</sup> Like in the case of GIG staff, confidentiality does not need to be offered to government officials, but--if requested--should be accommodated.

- b. If the respondent was not involved in any GIG trade facilitation activity, ask if he/she is otherwise familiar with any GIG trade facilitation activity.
  - If so, ask which GIG trade facilitation activity (activities) he/she is familiar with and how.
  - If not, provide brief background information about the GIG and its trade facilitation activities.

**IV. Strengthening of Vietnam's legal and regulatory framework for trade facilitation in compliance with its international commitments**

- a. **EXPLANATORY STATEMENT:** One of the key focus areas for the GIG is to help Vietnam strengthen its legal and regulatory framework for trade facilitation in compliance with its international commitments, including its commitments under the WTO Trade Facilitation Agreement (TFA) and other WTO agreements.
- b. In your view, have there been improvements in Vietnam's legal and regulatory framework for trade facilitation over the past 2.5 years? If so, what are these improvements?
- c. Has your agency (department) received any assistance from the GIG in gaining better understanding of Vietnam's international commitments on trade facilitation? If so, what assistance have you received and what have been the results?
- d. Has your agency (department) received any support from the GIG in drafting or revising a law or a regulation related to trade facilitation? If so, what support have you received and what have been the results?

**V. Public consultations and information dissemination on trade facilitation laws, regulations and international agreements**

- a. **EXPLANATORY STATEMENT:** Another focus area for the GIG is to help the Government of Vietnam improve public consultations and information dissemination on trade facilitation laws, regulations and international agreements, including the TFA and the Transpacific Partnership (TPP) agreement.
- b. In your view, have there been improvements in public consultations and information dissemination on trade facilitation laws, regulations and international agreements in Vietnam over the past 2.5 years? If so, what are these improvements?
- c. Has your agency (department) received any support from the GIG in carrying out public consultations and information dissemination on a law, regulation or international agreement pertaining to trade facilitation? If so, what support have you received and what have been the results?

**VI. Capacity building at border agencies [Only applicable to respondents from the GDVC and other border agencies]**

- a. **EXPLANATORY STATEMENT:** Another focus area for the GIG is to work with the border agencies to help them develop new skills, tools and practices that facilitate trade.
- b. Has our agency (department) received any assistance from the GIG in developing new skills, tools or practices for trade facilitation? [If not, go to Section VII]
- c. What assistance has it received?
- d. Was your agency (department) involved in designing the assistance? [If not, go to Question f]
- e. How was it involved in designing the assistance?
- f. How useful was the assistance in strengthening the capacity of your agency (department)?
- g. Have the staff of the agency (department) applied the new skills, tools or practices acquired with the GIG's assistance? [If not, go to Question i]
- h. What has been the result of applying these new skills, tools or practices?
- i. Is there continued support in the agency (department) for the new skills, tools and practices? [Possible prompts are given below]
  - Changes in policy to promote new practices.
  - Commitment to further training.
  - Commitment to meet recurrent costs.

**VII. Partnerships between the GDVC and the business community [Only applicable to respondents from the GDVC]**

- a. **EXPLANATORY STATEMENT:** Another focus area for the GIG is to facilitate partnerships between the General Department of Vietnam Customs (GDVC) and the business community to establish a strong business environment for international trade in Vietnam.
- b. In your view, have there been improvements in collaboration between the GDVC and the business community over the past 2.5 years? If so, what are these improvements and how they have affected the business environment for international trade in Vietnam?
- c. Are you familiar with any of the work that the GIG has undertaken to promote partnerships between the GDVC and the business community? [If not, go to Question e]
- d. Can you describe this work and how it affected the work of your department and its relationships with the business community?
- e. Are you familiar with the Vietnam Trade Facilitation Alliance (VTFA)? If so, how effective--in your view--has the VTFA been in improving collaboration between the GDVC and the business community?

**VIII. Resolution 19 Communications Campaign**

- a. **EXPLANATORY STATEMENT:** A specific area of focus for the GIG has been the information campaign surrounding Resolution 19.
- b. Did you attend any of the workshops on Resolution 19 conducted by the Central Institute of Economic Management in collaboration with the GIG? [If not, go to Question d]
- c. Did it increase your awareness of and support for reforms envisaged in Resolution 19, in particular the reforms aimed at reducing the time and costs of trading across borders?
- d. Do you recall watching/hearing/reading any media report on Resolution 19? [If not, go to Question f]
- e. Has it increased your awareness of and support for reforms envisaged in Resolution 19, in particular the reforms aimed at reducing the time and costs of trading across borders?
- f. Has the information campaign surrounding Resolution 19 (workshops, media reports, etc.) affected the work of your agency (department)? [Possible prompts are given below]
  - The agency (department) has begun interacting more with the business community.
  - The agency (department) has revised an existing regulation or issued a new regulation with the aim of reducing the time and costs of trading across borders.
  - The agency (department) has revised an existing regulation or issued a new regulation with the aim of improving another aspect of the business environment in Vietnam.

**IX. Recommendations**

- a. Ask the respondent how, in his/her view, the GIG can be more strategic and proactive in prioritizing different aspects of technical assistance to Vietnam (in particular, in the area of trade facilitation) and how the GIG can be improved more generally?

**X. Conclusion**

- a. Thank the respondent for his/her time.
- b. Tell the respondent that he/she is welcome to contact you to ask questions at a later date if he/she wishes.

## Modular Topic Guide – Business Associations

This Topic Guide is intended to be used in interviewing representatives of business associations. It should be used to guide key informant interviews with these respondents and does not need to be read or delivered verbatim.

The Topic Guide is modular in nature. Therefore, the questions in Sections III - VII should be asked as needed and appropriate based upon the responses to the questions in Section II and other background information (including Annex E of the Evaluation Design).

*For the purposes of this conversation, “trade facilitation” refers to simplification and harmonization of international trade procedures (including export and import procedures) and public consultations and availability of information on laws and regulations affecting trade procedures.*

### I. Introduction

- d. Thank the respondent for taking the time to participate in the interview.
- e. Introduce yourself and the other evaluation team member(s) conducting the interview.
- f. State that (i) you are conducting a midterm performance evaluation of the trade facilitation activities of the USAID's Vietnam Governance for Inclusive Growth Program (GIG); (ii) the purpose of the evaluation is to help the USAID and other US government agencies to better understand the recent progress and outstanding issues in trade facilitation in Vietnam and more effectively prioritize corresponding technical assistance under the GIG, any successor projects, and related economic diplomacy; and (iii) you have learned from GIG documents and/or other people the evaluation team has interviewed that the respondent was involved in or is otherwise familiar with the certain GIG trade facilitation activity (activities) and/or he/she is knowledgeable about recent progress and outstanding issues in trade facilitation in Vietnam.
- h. State the objectives of the interview, which are (i) to learn the respondent's opinion about the effectiveness of the GIG trade facilitation activity (activities) that he/she was involved in or is otherwise familiar with and/or (ii) ask him/her some questions about recent progress and outstanding issues in trade facilitation in Vietnam.
- i. Mention approximately how long the interview will last.
- j. Mention that you and/or the other member(s) of the evaluation team will be taking notes.
- k. Read the standard MSI statement of informed consent.
  - Please note whether the respondent would like to remain anonymous.
- l. Check whether the respondent has any questions.

### II. Background information about the respondent and the business association

- c. If needed and appropriate, ask the respondents what is his/her position and what are his/her responsibilities.
- d. Ask the respondent to provide the following background information about the business association:
  - The purpose of the business association.
  - The size and the geographical coverage of its membership.
  - The number of the member-companies that are SMEs (if such information is available).
  - The number of the member-companies that are owned by women (if such information is available).
  - The number of the member-companies that are owned by ethnic minorities and other disadvantaged groups (if such information is available).

### III. Strengthening of Vietnam's legal and regulatory framework for trade facilitation in compliance with its international commitments

- a. **EXPLANATORY STATEMENT:** One of the key focus areas for the GIG is to help Vietnam strengthen its legal and regulatory framework for trade facilitation in compliance with its international commitments, including its commitments under the WTO Trade Facilitation Agreement (TFA) and other WTO agreements.
- b. In your view, have there been improvements in Vietnam's legal and regulatory framework for trade facilitation over the past 2.5 years? If so, what are these improvements?

**IV. Public consultations and information dissemination on trade facilitation laws, regulations and international agreements**

- a. **EXPLANATORY STATEMENT:** Another focus area for the GIG is to help the Government of Vietnam improve public consultations and information dissemination on trade facilitation laws, regulations and international agreements, including the TFA and the Transpacific Partnership (TPP) agreement.
- b. In your view, have there been improvements in public consultations and information dissemination on trade facilitation laws, regulations and international agreements in Vietnam over the past 2.5 years? If so, what are these improvements?
- c. Has the GIG worked with your association to ensure that the members of your association are better informed about the existing trade facilitation laws, regulations and international agreements and their views are taken into account when new trade facilitation laws and regulations are drafted or existing ones are revised? If so, how and what are the results?
- d. Did you attend a GIG-supported workshop at which a new trade facilitation law or regulation or amendments to an existing trade facilitation law or regulation were discussed? **[If not, go to Question h]**
- e. During the workshop, did you make a comment or comments on the new law or regulation or on an amendment to the existing law or regulation? **[If not, go to Question g]**
- f. To what extent has your comment or comments been reflected in the new law or regulation or the amendments to the existing law or regulation?
- g. In your opinion, how effective was the workshop as a way for the business community to provide comments on a draft law or regulation or amendments to an existing law or regulation related to trade facilitation?
- h. Did you attend a GIG-supported workshop at which information on an existing law, regulation or international agreement related to trade facilitation was provided? **[If not, go to Section V]**
- i. In your opinion, how effective was the workshop in informing the business community about the law, regulation or international agreement?

**V. Partnerships between the GDVC and the business community**

- a. **EXPLANATORY STATEMENT:** Another focus area for the GIG is to facilitate partnerships between the General Department of Vietnam Customs (GDVC) and the business community to establish a strong business environment for international trade in Vietnam.
- b. In your view, have there been improvements in collaboration between the GDVC and the business community over the past 2.5 years? If so, what are these improvements and how they have affected the business environment for international trade in Vietnam?
- c. Has the GIG worked with your association to improve collaboration between the GDVC and your association? If so, how and what are the results?
- d. Did you attend a GIG-supported workshop aimed at improving collaboration between the GDVC and the business community? If so, which workshop did you attend and how useful was it?
- e. Are you familiar with the Vietnam Trade Facilitation Alliance (VTFA)? If so, how effective--in your view--has the VTFA been in improving collaboration between the GDVC and the business community?



**VI. Resolution 19 Communications Campaign**

- a. **EXPLANATORY STATEMENT:** A specific area of focus for the GIG has been the information campaign surrounding Resolution 19.
- b. Are you familiar with Resolution 19? [If not, go to Section VII]
- c. What are your views about the resolution and its implementation?
- d. Did you attend any of the workshops on Resolution 19 conducted by the Central Institute of Economic Management in collaboration with the GIG? [If not, go to Question f]
- e. Did it increase your awareness of and support for reforms envisaged in Resolution 19, in particular the reforms aimed at reducing the time and costs of trading across borders?
- f. Do you recall watching/hearing/reading any media report on Resolution 19? [If not, go to Question h]
- g. Did it increase your awareness of and support for reforms envisaged in Resolution 19, in particular the reforms aimed at reducing the time and costs of trading across borders?
- h. Has the information campaign surrounding Resolution 19 (workshops, media reports, etc.) led to you or your business association petitioning/requesting a government official (e.g. a deputy of the National Assembly or the People's Council) or a government agency (e.g. the GDVC) to advance reforms envisaged in Resolution 19?

**VII. Recommendations**

- a. In your view, what are the aspect of trade facilitation in Vietnam where improvements are needed most? [Some prompts are given below]
  - Availability of information on laws, regulations and international agreements related to trade facilitation.
  - Public consultations on the proposed introduction or amendment of laws and regulations related to trade facilitation.
  - Customs administration.
  - Sanitary and phytosanitary measures.
  - Technical regulations, standards, and conformity assessment procedures.
  - Border agency cooperation.
- c. In your opinion, how the GIG could help improve these aspects of trade facilitation?

**VIII. Conclusion**

- a. Thank the respondent for his/her time.
- b. Tell the respondent he/she is welcome to contact you to ask questions at a later date if he/she wishes

## Modular Topic Guide – Companies

This Topic Guide is intended to be used in interviewing representatives of companies. It should be used to guide key informant interviews with these respondents and does not need to be read or delivered verbatim.

The Topic Guide is modular in nature. Therefore, the questions in Sections III - VIII should be asked as needed and appropriate based upon the responses to the questions in Section II and other background information (including Annex E of the Evaluation Design).

*For the purposes of this conversation, “trade facilitation” refers to simplification and harmonization of international trade procedures (including export and import procedures) and public consultations and availability of information on laws and regulations affecting trade procedures.*

### I. Introduction

- g. Thank the respondent for taking the time to participate in the interview.
- h. Introduce yourself and the other evaluation team member(s) conducting the interview.
- i. State that (i) you are conducting a midterm performance evaluation of the trade facilitation activities of the USAID's Vietnam Governance for Inclusive Growth Program (GIG); (ii) the purpose of the evaluation is to help the USAID and other US government agencies to better understand the recent progress and outstanding issues in trade facilitation in Vietnam and more effectively prioritize corresponding technical assistance under the GIG, any successor projects, and related economic diplomacy; and (iii) you have learned from GIG documents and/or other people the evaluation team has interviewed that the respondent was involved in or is otherwise familiar with the certain GIG trade facilitation activity (activities) and/or he/she is knowledgeable about recent progress and outstanding issues in trade facilitation in Vietnam.
- m. State the objectives of the interview, which are (i) to learn the respondent's opinion about the effectiveness of the GIG trade facilitation activity (activities) that he/she was involved in or is otherwise familiar with and/or (iii) ask him/her some questions about recent progress and outstanding issues in trade facilitation in Vietnam.
- n. Mention approximately how long the interview will last.
- o. Mention that you and/or the other member(s) of the evaluation team will be taking notes.
- p. Read the standard MSI statement of informed consent.
  - Please note whether the respondent would like to remain anonymous.
- q. Check whether the respondent has any questions.

### II. Background information about the respondent and the company

- e. If needed and appropriate, ask the respondents what is his/her position and what are his/her responsibilities.
- f. Ask the respondent to provide the following background information about the company:
  - The city/province where the company is registered.
  - Whether the company wholly or majority owned by woman or women (if such information is available)?
  - Whether the company wholly or majority owned by a person or persons belonging to an ethnic minority or minorities (if such information is available)?
  - If the company is an SME.
  - The total number of employees of the company.
  - The primary sector of operations of the company.
  - Whether the company is involved in international trade and, if so, how it is involved.

- III. Strengthening of Vietnam's legal and regulatory framework for trade facilitation in compliance with its international commitments**
- a. **EXPLANATORY STATEMENT:** One of the key focus areas for the GIG is to help Vietnam strengthen its legal and regulatory framework for trade facilitation in compliance with its international commitments, including its commitments under the WTO Trade Facilitation Agreement (TFA) and other WTO agreements.
  - b. In your view, have there been improvements in Vietnam's legal and regulatory framework for trade facilitation over the past 2.5 years? If so, what are these improvements?
- IV. Public consultations and information dissemination on trade facilitation laws, regulations and international agreements**
- a. **EXPLANATORY STATEMENT:** Another focus area for the GIG is to help the Government of Vietnam improve public consultations and information dissemination on trade facilitation laws, regulations and international agreements, including the TFA and the Transpacific Partnership (TPP) agreement.
  - b. In your view, have there been improvements in public consultations and information dissemination on trade facilitation laws, regulations and international agreements in Vietnam over the past 2.5 years? If so, what are these improvements?
  - c. Has the GIG worked with your company to ensure that you are better informed about the existing trade facilitation laws, regulations and international agreements and your views are taken into account when new trade facilitation laws and regulations are drafted or existing ones are revised? If so, how and what are the results?
  - d. Did you attend a GIG-supported workshop at which a new trade facilitation law or regulation or amendments to an existing trade facilitation law or regulation were discussed? [If not, go to Question h]
  - e. During the workshop, did you make a comment or comments on the new law or regulation or on an amendment to the existing law or regulation? [If not, go to Question g]
  - f. To what extent has your comment or comments been reflected in the new law or regulation or the amendments to the existing law or regulation?
  - g. In your opinion, how effective was the workshop as a way for the business community to provide comments on a draft law or regulation or amendments to an existing law or regulation related to trade facilitation?
  - h. Did you attend a GIG-supported workshop at which information on an existing law, regulation or international agreement related to trade facilitation was provided? [If not, go to Section V]
  - i. In your opinion, how effective was the workshop in informing the business community about the law, regulation or international agreement?
- V. Partnerships between the GDVC and the business community**
- a. **EXPLANATORY STATEMENT:** Another focus area for the GIG is to facilitate partnerships between the General Department of Vietnam Customs (GDVC) and the business community to establish a strong business environment for international trade in Vietnam.
  - b. In your view, have there been improvements in collaboration between the GDVC and the business community over the past 2.5 years? If so, what are these improvements and how they have affected the business environment for international trade in Vietnam?
  - c. Did you attend a GIG-supported workshop aimed at improving collaboration between the GDVC and the business community? If so, which workshop did you attend and how useful was it?
  - d. Did the GIG involve your company in any other of its activities aimed at improving collaboration between the GDVC and the business community? If so, which activity was it and how useful was it?
  - e. Are you familiar with the Vietnam Trade Facilitation Alliance (VTFA)? If so, how effective--in your view--has the VTFA been in improving collaboration between the GDVC and the business community?
- VI. Resolution 19 Communications Campaign**

- a. **EXPLANATORY STATEMENT:** A specific area of focus for the GIG has been the information campaign surrounding Resolution 19.
- b. Are you familiar with Resolution 19? [If not, go to Section VII]
- c. What are your views about the resolution and its implementation?
- d. Did you attend any of the workshops on Resolution 19 conducted by the Central Institute of Economic Management in collaboration with the GIG? [If not, go to Question f]
- e. Did it increase your awareness of and support for reforms envisaged in Resolution 19, in particular the reforms aimed at reducing the time and costs of trading across borders?
- f. Do you recall watching/hearing/reading any media report on Resolution 19? [If not, go to Question h]
- g. Did it increase your awareness of and support for reforms envisaged in Resolution 19, in particular the reforms aimed at reducing the time and costs of trading across borders?
- h. Has the information campaign surrounding Resolution 19 (workshops, media reports, etc.) led to you or your company petitioning/requesting a government official (e.g. a deputy of the National Assembly or the People's Council) or a government agency (e.g. the GDVC) to advance reforms envisaged in Resolution 19?

**VII. Challenges faced by SMEs and firms owned by women and other disadvantaged groups**  
**[Only applicable to respondents from SMEs and firms owned by women and other disadvantaged groups]**

- a. Does your company face additional challenges in doing business (in particular, trading across borders) because it is an SME and/or owned by a woman (women), a person (persons) from an ethnic minority (minorities) or another disadvantaged group (groups)? If so, what are these challenges?
- b. Does the size and/or ownership of your company affect how the GDVC or other government agencies respond to your concerns? If so, how does it affect?
- c. Do you think that the firms of the same size and/or ownership as your company are adequately represented by business associations, such as the VCCI? Why or why not?

**VIII. Recommendations**

- a. In your view, what are the aspect of trade facilitation in Vietnam where improvements are needed most? [Some prompts are given below]
  - Availability of information on laws, regulations and international agreements related to trade facilitation.
  - Public consultations on the proposed introduction or amendment of laws and regulations related to trade facilitation.
  - Customs administration.
  - Sanitary and phytosanitary measures.
  - Technical regulations, standards, and conformity assessment procedures.
  - Border agency cooperation.
- c. In your opinion, how the GIG could help improve these aspects of trade facilitation?

**IX. Conclusion**

- c. Thank the respondent for his/her time.
- d. Tell the respondent he/she is welcome to contact you to ask questions at a later date if he/she wishes

## Modular Topic Guide – Journalists

This Topic Guide is intended to be used in interviewing journalists who were involved in or are otherwise familiar with the GIG-supported information campaign surrounding Resolution 19. It should be used to guide key informant interviews with these respondents and does not need to be read or delivered verbatim.

*For the purposes of this conversation, “trade facilitation” refers to simplification and harmonization of international trade procedures (including export and import procedures) and public consultations and availability of information on laws and regulations affecting trade procedures.*

### I. Introduction

- a. Thank the respondent for taking the time to participate in the interview.
- b. Introduce yourself and the other evaluation team member(s) conducting the interview.
- c. State that (i) you are conducting a midterm performance evaluation of the trade facilitation activities of the USAID's Vietnam Governance for Inclusive Growth Program (GIG); (ii) the purpose of the evaluation is to help the USAID and other US government agencies to better understand the recent progress and outstanding issues in trade facilitation in Vietnam and more effectively prioritize corresponding technical assistance under the GIG, any successor projects, and related economic diplomacy; and (iii) you have learned from GIG documents and/or other people the evaluation team has interviewed that the respondent was involved in or is otherwise familiar with the GIG-supported information campaign surrounding Resolution 19.
- d. State the objective of the interview, which is to learn the respondent's opinion about the effectiveness of the GIG-supported information campaign surrounding Resolution 19.
- e. Mention approximately how long the interview will last.
- f. Mention that you and/or the other member(s) of the evaluation team will be taking notes.
- g. Read the standard MSI statement of informed consent.
- Please note whether the respondent would like to remain anonymous.
- h. Check whether the respondent has any questions.

### II. Background information about the respondent and the media outlet

- a. If needed and appropriate, ask the respondents what is his/her position and what are his/her responsibilities.
- b. Ask the respondent to provide the following background information about media outlet he/she works for:
  - The type of the media outlet.
  - The approximate size of its audience.

### III. Resolution 19 Communications Campaign

- a. **EXPLANATORY STATEMENT:** A specific area of focus for the GIG has been the information campaign surrounding Resolution 19.
- b. Did you attend any of the workshops on Resolution 19 conducted by the Central Institute of Economic Management in collaboration with the GIG? [If not, go to Question e]
- c. Did it increase your awareness of and support for reforms envisaged in Resolution 19?
- d. Did it lead to your media outlet reporting about the workshop and/or reforms envisaged in Resolution 19? If so, how did you report and approximately how large was the audience?
- e. Are you familiar with the GIG-supported information campaign surrounding Resolution 19 in any other way? [If not, go to Section IV]
- f. In your opinion, how effective has the campaign been in increasing the target audience's awareness of and support for reforms envisaged in Resolution 19?

**IV. Conclusion**

- e. Thank the respondent for his/her time.
- f. Tell the respondent he/she is welcome to contact you to ask questions at a later date if he/she wishes.

**SURVEY OF PARTICIPANTS OF GIG-SUPPORTED WORKSHOPS  
RELEVANT TO EVALUATION QUESTIONS 1a  
Category of Participants: Companies (Including Banks)**

**A. Introduction**

The United States Agency for International Development (USAID) is conducting evaluation of trade facilitation activities of its Vietnam Governance for Inclusive Growth Program (GIG). As part of this evaluation, we are conducting a survey of participants of GIG-supported workshops relevant to trade facilitation.

According to the information provided by GIG staff, you participated in [TITLE OF THE WORKSHOP] that [THE NAME OF THE COUNTEPART GOVERNMENT AGENCY] conducted—with the support of the GIG—in [THE CITY OR PROVINCE WHERE THE WORKSHOP WAS CONDUCTED] on [THE DATE OR DATES WHEN THE WORKSHOP WAS CONDUCTED]. We would like to ask you several questions about the usefulness of the workshop.

To collect information needed to estimate how many persons from small and medium-sized enterprises and firms-owned by women and other disadvantaged groups participated in the workshop, we would also like to ask you a number of questions about your company?<sup>36</sup>

Finally, we would like to know your opinions on recent progress and outstanding issues in trade facilitation in Vietnam. For the purposes of this conversation, “trade facilitation” refers to simplification and harmonization of international trade procedures (including export and import procedures) and public consultations and availability of information on laws and regulations affecting trade procedures.

The survey questionnaire is composed of a total of 20 questions and will take approximately 10 minutes to complete.

Your participation in the survey will be highly appreciated.

Your answers will be kept anonymous and no information that you will provide will be publicly disclosed in a manner such that it is attributable to you.

**B. Information about the Respondent and the Interview**

|                 |  |                 |                                       |
|-----------------|--|-----------------|---------------------------------------|
| Full Name:      |  | Code:           |                                       |
| Organization:   |  | Interview date: |                                       |
| E-mail address: |  | Interview mode: | <input type="checkbox"/> E-mail       |
| Phone number:   |  |                 | <input type="checkbox"/> Telephone    |
|                 |  |                 | <input type="checkbox"/> Face-to-face |

**C. Questionnaire**

| Q#                                    | Question  | Responses  |
|---------------------------------------|---|--|
| <b>I. Questions about the Company</b> |   |  |
| Q1.1                                  | In which city/province is the company registered?   |  |
| Q1.2                                  | Is the company wholly or majority owned by a woman or women?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know |
| Q1.3                                  | Is the company wholly or majority owned by a person or persons belonging to an ethnic minority or minorities? | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know |

<sup>36</sup> Here and in rest of the questionnaire, "company" refers to the firm that the respondent worked for when he/she participated in the GIG-supported workshop.

|  |   |  |
|--|---|--|
| Q1.4                                   | Does the company belong to the category of small and medium-sized enterprises?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know   |
| Q1.5                                   | In what sector(s) does the company operate? (multiple responses are possible)   | <input type="checkbox"/> Agriculture, forestry and fishery<br><input type="checkbox"/> Industry and manufacturing<br><input type="checkbox"/> Construction<br><input type="checkbox"/> Financial sector<br><input type="checkbox"/> Transport<br><input type="checkbox"/> Wholesale and retail trade<br><input type="checkbox"/> Other (please specify) _____  |
| Q1.6                                   | What is the main sector of operations of the company? (select one option)   | <input type="checkbox"/> Agriculture, forestry and fishery<br><input type="checkbox"/> Industry and manufacturing<br><input type="checkbox"/> Construction<br><input type="checkbox"/> Financial sector<br><input type="checkbox"/> Transport<br><input type="checkbox"/> Wholesale and retail trade<br><input type="checkbox"/> Other (please specify) _____<br><input type="checkbox"/> I don't know |
| Q1.7                                   | How many persons does the company employ?   | <input type="checkbox"/> 10 or fewer<br><input type="checkbox"/> 50 or fewer but more than 10<br><input type="checkbox"/> 100 or fewer but more than 50<br><input type="checkbox"/> 200 or fewer but more than 100<br><input type="checkbox"/> 300 or fewer but more than 200<br><input type="checkbox"/> More than 300<br><input type="checkbox"/> I don't know                                       |
| Q1.8                                   | Is the company involved in any activity related to international trade?   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q2.1)<br><input type="checkbox"/> I don't know (go to Q2.1)   |
| Q1.9                                   | In which of the following activities related to international trade is the company involved? (multiples responses are possible) | <input type="checkbox"/> Exports of goods/services<br><input type="checkbox"/> Imports of goods/services<br><input type="checkbox"/> Transportation/logistics<br><input type="checkbox"/> Trade finance/insurance<br><input type="checkbox"/> Customs brokerage<br><input type="checkbox"/> Other (please specify) _____   |
| <b>2. Questions about the Workshop</b> |   |  |
| Q2.1                                   | Do you recall participating in the above workshop?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q3.1)   |
| Q2.2                                   | Was a draft law or regulation related to trade facilitation discussed at the above workshop?                                    | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q2.6)<br><input type="checkbox"/> I do not recall (go to Q2.6)  |
| Q2.3                                   | Did you provide comments on the draft law or regulation during the workshop?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q2.5)<br><input type="checkbox"/> I do not recall (go to Q2.5)  |
| Q2.4                                   | To what extent were your comments reflected in the final version of the law or regulation?                                      | <input type="checkbox"/> Fully<br><input type="checkbox"/> Mostly<br><input type="checkbox"/> Some<br><input type="checkbox"/> Little<br><input type="checkbox"/> None<br><input type="checkbox"/> I do not know   |



|  |  |   |
|--|--|---|
| Q2.5   | In your opinion, how effective was the workshop in providing the business community with an opportunity to comment on the draft law or regulation?                                   | <input type="checkbox"/> Very effective<br><input type="checkbox"/> Somewhat effective<br><input type="checkbox"/> Not effective<br><input type="checkbox"/> I don't know   |
| Q2.6   | Was information about trade laws, regulations or international agreements provided during the workshop?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q3.1)<br><input type="checkbox"/> I do not recall (go to Q3.1)   |
| Q2.7   | In your opinion, how effective was the workshop in informing the business community about the law, regulation or international agreement?  | <input type="checkbox"/> Very effective<br><input type="checkbox"/> Somewhat effective<br><input type="checkbox"/> Not effective<br><input type="checkbox"/> I don't know   |
| <b>3. Questions on Trade Facilitation in Vietnam</b> |  |   |
| Q3.1   | In your opinion, in the last 2.5 years, have there been improvements in the following:   |   |
| Q3.1.1   | <ul style="list-style-type: none"> <li>Public consultations and information dissemination have become more frequent</li> </ul>   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |
| Q3.1.2   | <ul style="list-style-type: none"> <li>The business community is now given more time to prepare for public consultations</li> </ul>  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |
| Q3.1.3   | <ul style="list-style-type: none"> <li>The business community is now given more time to provide comments and ask questions during public consultations</li> </ul>                    | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |
| Q3.1.4   | <ul style="list-style-type: none"> <li>Comments provided by the business community are better reflected in new/revised laws and regulations related to trade facilitation</li> </ul> | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |
| Q3.2   | Are there any other improvements that we haven't mentioned that have taken place in the last 2.5 years?  | [Open Answer]   |
| Q3.3   | In your opinion, in which aspects of trade facilitation are improvements needed most? (multiple responses are possible)  | <input type="checkbox"/> Public consultations and availability of information on laws and regulations related to trade facilitation<br><input type="checkbox"/> Improved Customs procedures<br><input type="checkbox"/> Improved procedures governing specialized management of exports and imports<br><input type="checkbox"/> Other (please specify)<br><hr/> <input type="checkbox"/> I don't know (go to section D) |
| Q3.4   | In your view, how the USAID could help improve these aspects of trade facilitation in Vietnam?   | [Open answer]   |

#### D. Conclusion

*Thank you very much for your time and cooperation.*

## SURVEY OF PARTICIPANTS OF GIG-SUPPORTED WORKSHOPS RELEVANT TO EVALUATION QUESTIONS 1a

### Category of Participants: Business Associations

#### A. Introduction

The United States Agency for International Development (USAID) is conducting evaluation of trade facilitation activities of its Vietnam Governance for Inclusive Growth Program (GIG). As part of this evaluation, we are conducting a survey of participants of GIG-supported workshops relevant to trade facilitation.

According to the information provided by GIG staff, you participated in [TITLE OF THE WORKSHOP] that [THE NAME OF THE COUNTEPART GOVERNMENT AGENCY] conducted—with the support of the GIG—in [THE CITY OR PROVINCE WHERE THE WORKSHOP WAS CONDUCTED] on [THE DATE OR DATES WHEN THE WORKSHOP WAS CONDUCTED]. We would like to ask you several questions about the usefulness of the workshop.

To collect information needed to assess the outreach of trade facilitation activities of the GIG, we would also like to ask you a number of questions about your business association.<sup>37</sup>

Finally, we would like to know your opinions on recent progress and outstanding issues in trade facilitation in Vietnam. For the purposes of this conversation, “trade facilitation” refers to simplification and harmonization of international trade procedures (including export and import procedures) and public consultations and availability of information on laws and regulations affecting trade procedures.

The survey questionnaire is composed of a total of 16 questions and will take approximately 10 minutes to complete.

Your participation in the survey will be highly appreciated.

Your answers will be kept anonymous and no information that you will provide will be publicly disclosed in a manner such that it is attributable to you.

#### B. Information about the Respondent and the Interview

|                 |  |                 |  |
|-----------------|--|-----------------|--|
| Full Name:      |  | Code:           |  |
| Organization:   |  | Interview date: |  |
| E-mail address: |  | Interview mode: | <input type="checkbox"/> E-mail<br><input type="checkbox"/> Telephone<br><input type="checkbox"/> Face-to-face |
| Phone number:   |  |                 |  |

#### C. Questionnaire

| Q#   | Question  | Responses  |
|--|---|--|
| <b>I. Questions about the Business Association</b> |   |  |
| Q1.1   | How many members does your business association have (approximately)? | _____<br><input type="checkbox"/> I don't know   |
| Q1.2   | What is the geographical coverage of its membership?                  | <input type="checkbox"/> National<br><input type="checkbox"/> Regional/provincial/municipal<br><input type="checkbox"/> I don't know                     |
| Q1.3   | What proportion of its members are SMEs?                              | <input type="checkbox"/> 25% or less<br><input type="checkbox"/> 50% or less but more than 25%<br><input type="checkbox"/> 75% or less but more than 50% |

<sup>37</sup> Here and in rest of the questionnaire, "business association" refers to the business association that the respondent worked for when he/she participated in the GIG-supported workshop.

|  |  |   |
|--|--|---|
|  |  | <input type="checkbox"/> More than 75%<br><input type="checkbox"/> I don't know   |
| Q1.4   | What proportion of its members are wholly or majority owned by a woman or women?   | <input type="checkbox"/> 25% or less<br><input type="checkbox"/> 50% or less but more than 25%<br><input type="checkbox"/> 75% or less but more than 50%<br><input type="checkbox"/> More than 75%<br><input type="checkbox"/> I don't know |
| Q1.5   | What proportion of its members are wholly or majority owned by a person or persons belonging to an ethnic minority or minorities?                  | <input type="checkbox"/> 25% or less<br><input type="checkbox"/> 50% or less but more than 25%<br><input type="checkbox"/> 75% or less but more than 50%<br><input type="checkbox"/> More than 75%<br><input type="checkbox"/> I don't know |
| <b>2. Questions about the Workshop</b>               |  |   |
| Q2.1   | Do you recall participating in the above workshop?   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q3.1)  |
| Q2.2   | Was a draft law or regulation related to trade facilitation discussed at the above workshop?   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q2.6)<br><input type="checkbox"/> I do not recall (go to Q2.6)   |
| Q2.3   | Did you provide comments on the draft law or regulation during the workshop?   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q2.5)<br><input type="checkbox"/> I do not recall (go to Q2.5)   |
| Q2.4   | To what extent were your comment reflected in the final version of the law or regulation?  | <input type="checkbox"/> Fully<br><input type="checkbox"/> Mostly<br><input type="checkbox"/> Some<br><input type="checkbox"/> Little<br><input type="checkbox"/> None<br><input type="checkbox"/> I do not know                            |
| Q2.5   | In your opinion, how effective was the workshop in providing the business community with an opportunity to comment on the draft law or regulation? | <input type="checkbox"/> Very effective<br><input type="checkbox"/> Somewhat effective<br><input type="checkbox"/> Not effective<br><input type="checkbox"/> I don't know   |
| Q2.6   | Was information about trade laws, regulations or international agreements provided during the workshop?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No (go to Q3.1)<br><input type="checkbox"/> I do not recall (go to Q3.1)   |
| Q2.7   | In your opinion, how effective was the workshop in informing the business community about the law, regulation or international agreement?          | <input type="checkbox"/> Very effective<br><input type="checkbox"/> Somewhat effective<br><input type="checkbox"/> Not effective<br><input type="checkbox"/> I don't know   |
| <b>3. Questions on Trade Facilitation in Vietnam</b> |  |   |
| Q3.1   | In your opinion, in the last 2.5 years, have there been improvements in the following:   |   |
| Q3.1.1   | Public consultations and information dissemination have become more frequent   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |

|        |  |   |
|--------|--|---|
| Q3.1.2 | The business community is now given more time to prepare for public consultations  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |
| Q3.1.3 | The business community is now given more time to provide comments and ask questions during public consultations                    | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |
| Q3.1.4 | Comments provided by the business community are better reflected in new/revised laws and regulations related to trade facilitation | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know  |
| Q3.2   | Are there any other improvements that we haven't mentioned that have taken place in the last 2.5 years?                            | [Open Answer]   |
| Q3.3   | In your opinion, in which aspects of trade facilitation are improvements needed most? (multiple responses are possible)            | <input type="checkbox"/> Public consultations and availability of information on laws and regulations related to trade facilitation<br><input type="checkbox"/> Improved Customs procedures<br><input type="checkbox"/> Improved procedures governing specialized management of exports and imports<br><input type="checkbox"/> Other (please specify)<br><hr/> <input type="checkbox"/> I don't know (go to section D) |
| Q3.4   | In your view, how the USAID could help improve these aspects of trade facilitation in Vietnam?                                     | [Open answer]   |

**D. Conclusion**

*Thank you very much for your time and cooperation.*

## Annex G: Persons Consulted for Field Work

### Central Government Officials

| #  | Name                     | Position   | Organization                             |
|----|--------------------------|--|--|
| 1  | Mr. Nguyen Huu Huyen     | Deputy Director, International Cooperation Dept.<br>Director, Project Management Unit <sup>38</sup>  | Ministry of Justice                      |
| 2  | Ms. Duong Thien Huong    | Deputy Director, International Cooperation Dept.<br>Project Manager, Project Management Unit   | Ministry of Justice                      |
| 3  | Mr. Lai The Anh          | Deputy Head, Division of International Cooperation on Laws, International Cooperation Dept.<br>Specialist, Project Management Unit         | Ministry of Justice                      |
| 4  | Ms. Tran Thi Thu Hien    | Specialist in charge of America and Europe, International Cooperation Dept.<br>Member in charge of Administration, Project Management Unit | Ministry of Justice                      |
| 5  | Ms. Duong Thi Hoang Lien | Deputy Head of Division, Risk Management Board   | General Department of Vietnam Customs    |
| 6  | Ms. Nguyen Thi Thu Hien  | Deputy Head of Division, Anti-smuggling and Investigation Department   | General Department of Vietnam Customs    |
| 7  | Mr. Tran Van Trang       | Head of Division, Customs Reform and Modernization Board   | General Department of Vietnam Customs    |
| 8  | Ms. Nguyen Viet Nga      | Deputy Director, International Cooperation Department  | General Department of Vietnam Customs    |
| 9  | Mr. Nguyen Thi Thu Loan  | Official, International Cooperation Department   | General Department of Vietnam Customs    |
| 10 | Mr. Nguyen Quang Son     | Head of Division, Customs Control and Supervision Department   | General Department of Vietnam Customs    |
| 11 | Ms. Nguyen Thi Anh Thao  | Official, Customs Post Clearance Audit Department  | General Department of Vietnam Customs    |
| 12 | Ms. Bui Thi Minh Hang    | Official, Customs Control and Supervision Department   | General Department of Vietnam Customs    |
| 13 | Ms. Hoang Thu Huyen      | Official, Customs Reform and Modernization Board   | General Department of Vietnam Customs    |
| 14 | Ms. Nguyen Thi Thuy Lan  | Official, Customs Reform and Modernization Board   | General Department of Vietnam Customs    |
| 15 | Ms. Nguyen Thi Van       | Officer, Customs Reform and Modernization Board  | General Department of Vietnam Customs    |
| 16 | Mr. Nguyen Van Dung,     | Officer, Customs Reform and Modernization Board  | General Department of Vietnam Customs    |
| 18 | Mr. Nguyen Dinh Cung     | President of CIEM  | Central Institute of Economic Management |
| 19 | Ms. Nguyen Minh Thao     | Head of Business Environment and Competition Division  | Central Institute of Economic Management |
| 20 | Mr. Bach Quoc An         | Director of the International Law Department   | Ministry of Justice                      |

<sup>38</sup> The Evaluation Team met 4 members of the Project Management Unit (PMU) in one meeting on 1<sup>st</sup> July, 2016.

| #  | Name                    | Position  | Organization                   |
|----|-------------------------|---|--------------------------------|
| 21 | Ms. Lai Van Anh         | Expert of the International Law Department  | Ministry of Justice            |
| 22 | Mr. Nguyen Nguyen Dzung | Deputy Director of the Administrative Procedures Control Agency                                     | Ministry of Justice            |
| 23 | Ms. Le Thi Kim Hoa      | Head of Division of the Administrative Procedures Control Agency                                    | Ministry of Justice            |
| 24 | Ms. Nguyen Thi Tra Le   | Deputy Head of the Public-Private Partnership Division the Administrative Procedures Control Agency | Ministry of Justice            |
| 25 | Ms. Pham Thi Thanh Ha   | Expert, Public-Private Partnership Division   | Ministry of Justice            |
| 26 | Mr. Ngo Duc Minh        | Head of Division, Department of Legal Affairs   | Ministry of Industry and Trade |
| 27 | Vu Thi Van Nga          | Deputy Head of Division, Department of Legal Affairs  | Ministry of Industry and Trade |
| 28 | Ms. Bui Kim Thuy        | Deputy Head, Rule of Origin Division, Import-Export Agency  | Ministry of Industry and Trade |
| 29 | Ms. Nguyen Tuong Van    | Deputy Director, Foreign Affairs Department   | National Assembly Office       |
| 30 | Ms. Nguyen Khanh Huong  | Expert, Foreign Affairs Department,   | National Assembly Office       |
| 31 | Mr. Nguyen Viet Loi     | Head of the Institute   | National Institute for Finance |
| 32 | Ms. Le Thi Thuy Van     | Division Director (Financial Market Division)   | National Institute for Finance |
| 33 | Ms. Hai Thu             | Official at Department of International Cooperation   | National Institute for Finance |

## Respondents in Hanoi

### Local Government Officials

| # | Name                   | Position   | Organization                                 |
|---|------------------------|--|--|
| 1 | Mr. Nguyen Huu Binh    | Deputy Head of Customs Control Department  | Ha Noi Customs Department                    |
| 2 | Mr. Nguyen Van Than    | Official at International Cooperation Control Department (specialized on duties and tax) | Ha Noi Customs Department                    |
| 3 | Mr. Hoang Quang Long   | Official at Customs Control Department (specialized in Customs-Businesses Partnership)   | Ha Noi Customs Department                    |
| 4 | Mr. Nguyen Thanh Hai   | Vice Director of Hanoi Department of Industry and Trade                                  | Ha Noi Department of Industry and Trade      |
| 5 | Ms. Nguyen Tu Oanh     | Head of External Economic Division   | Ha Noi Department of Industry and Trade      |
| 6 | Mr. Tran Ngoc Nam      | Deputy Director  | Ha Noi Department of Planning and Investment |
| 7 | Mr. Trinh Quang Anh    | Expert of the General Affair Division  | Ha Noi Department of Planning and Investment |
| 8 | Ms. Pham Thi Thu Huong | Head of the Administrative Office  | Ha Noi Department of Planning and Investment |
| 9 | Mr. Luong Hoai Nam     | Head of the Industrial Division  | Ha Noi Department of Planning and Investment |

| #  | Name                      | Position  | Organization   |
|----|---------------------------|---|--|
| 10 | Ms. Le Hong Hanh          | Deputy Head of the Business Registration Division | Ha Noi Department of Planning and Investment   |
| 11 | Mr. Nguyen Thanh Tinh     | Head of Investment Promotion Department           | Ha Noi Promotion Agency (Center for Trade, Investment and Tourism Promotion) - HPA       |
| 12 | Ms. Nguyen Thi Mai Anh    | Deputy Director of Trade Promotion                | Ha Noi Promotion Agency (Center for Trade, Investment and Tourism Promotion) - HPA       |
| 13 | Ms. Nguyen Thi Mai Phuong | Officer at Research and Development Division      | Ha Noi Notification Authorities and Enquiry Points on Technical Barriers to Trade Office |
| 14 | Ms. Pham Thi Kim Yen      | Deputy Director of TBT                            | Ha Noi Notification Authorities and Enquiry Points on Technical Barriers to Trade Office |

### GIG Staff, Former Staff, and Consultants

| #  | Name                     | Position  | Organization  |
|----|--------------------------|---|---|
| 1  | Mr. David Anderson       | Program Director  | USAID Governance for Inclusive Growth Project   |
| 2  | Ms. Nguyen Thi Bich Lien | Deputy Program Director   | USAID Governance for Inclusive Growth Project   |
| 3  | Mr. Le Sy Giang          | Team Leader, Legal & Regulatory Framework                       | USAID Governance for Inclusive Growth Project   |
| 4  | Mr. Brian Giacometti     | Governance and Accountability Program Director                  | USAID Governance for Inclusive Growth Project   |
| 5  | Ms. Vu Le Phuong         | Legal and Regulatory Program Manager (Trade Facilitation Focus) | USAID Governance for Inclusive Growth Project   |
| 6  | Ha Phan                  | Project Officers responsible for HNEW002, VWEC002               | USAID Governance for Inclusive Growth Project   |
| 7  | Mr. Noel Martinez        | Deputy Program Director Implementation                          | USAID Governance for Inclusive Growth Project   |
| 8  | Ms. Dang Thi Binh An     | Consultant/ Custom Expert                                       | USAID Governance for Inclusive Growth Project Consultant (current Chairwomen of Tax Consultation Association (C&A)) |
| 9  | Mr. Pham Minh Tu         | Manager, Trade, Law and Regulatory Framework                    | USAID Governance for Inclusive Growth Project   |
| 10 | Ms. Hoang Thanh Mai      | Monitoring and Evaluation Manager                               | USAID Governance for Inclusive Growth Project   |
| 11 | Mr. Nguyen Van Kien      | Monitoring and Evaluation Manager                               | USAID Governance for Inclusive Growth Project   |
| 12 | Ms. Van Pham             | Communications Manager  | USAID Governance for Inclusive Growth Project   |
| 13 | Ms. Pham Hoai Giang      | Member, Gender and Inclusiveness Team                           | USAID Governance for Inclusive Growth Project   |
| 14 | Ms. Nguyen Thi Loi       | Member, Gender and Inclusiveness Team                           | USAID Governance for Inclusive Growth Project   |
| 15 | Ms. Le Thu Hien          | Member, Gender and Inclusiveness Team                           | USAID Governance for Inclusive Growth Project   |

## Business Associations

| # | Name                   | Position                                      | Organization  |
|---|------------------------|---|---|
| 1 | Ms. Dang Phuong Dung   | Head of Advisory Board                        | Vietnam Textile Association                             |
| 2 | Ms. Hoang Ngoc Anh     | Vice General Secretary                        | Vietnam Textile Association                             |
| 3 | Ms. Vu Thi Phuong      | Official                                      | Vietnam Textile Association                             |
| 4 | Mr. Nguyen Van Sua     | Vice President                                | Vietnam Steel Association                               |
| 5 | Mr. Dau Anh Tuan       | Head of Legal Department                      | Vietnam Chamber of Commerce and Industry                |
|   | Ms. Mai Thi Dieu Huyen | Manager, Vietnam Women Entrepreneurs Council, | Vietnam Chamber of Commerce and Industry                |
| 6 | Mr. To Hoai Nam        | Vice Chairman                                 | The Vietnam Association of Small and Medium Enterprises |
| 7 | Mr. Ta Van Ngo         | Expert  | The Vietnam Association of Small and Medium Enterprises |
| 8 | Mr. Tran Van Hien      | Secretary for Vice Chairman                   | The Vietnam Association of Small and Medium Enterprises |

## Private Companies

| # | Name                  | Position                        | Organization               |
|---|-----------------------|---------------------------------|----------------------------|
| 1 | Ms. Nguyen Anh Nguyet | Head of Import- Export Division | Ford Motor Company Vietnam |

## Other Stakeholders

| # | Name                    | Position   | Organization          |
|---|-------------------------|--|-----------------------|
| 1 | Ms. Leah Cobelli        | Economic Officer   | US Embassy in Vietnam |
| 2 | Ms. Nguyen Thi Bich Ha  | Economic Specialist (specialized in Trade, Customs, etc.)        | US Embassy in Vietnam |
| 3 | Ms Nguyen Thi Bich Thuy | Agreement Officer Representative (AOR) (managing GIG activities) | USAID                 |

## Respondents in Ho Chi Minh City

### Local Government Officials

| # | Name                   | Position                                    | Organization                                 |
|---|------------------------|---|--|
| 1 | Mr. Nguyen Huu Tuyen   | Vice Chairman of HCMC People's Committee    | Ho Chi Minh People's Committee               |
| 2 | Mr. Dinh Ngoc Thang    | Deputy Director                             | Ho Chi Minh City Customs Bureau              |
| 3 | Mr. Nguyen Quoc Toan   | Deputy Head of Import-Export Tax Division   | Ho Chi Minh City Customs Bureau              |
| 4 | Mr. Nguyen Xuan Binh   | Head of Supervision and Management Division | Ho Chi Minh City Customs Bureau              |
| 5 | Mr. Nguyen Phuong Dong | Vice Director                               | Ho Chi Minh Department of Industry and Trade |



|    |                       |  |   |
|----|-----------------------|--|---|
| 6  | Mr. Vo Minh Hoang     | Deputy Chief of Import-Export Division   | Ho Chi Minh Department of Industry and Trade                  |
| 7  | Mr. Nguyen The Phuong | Deputy Chief of Trade Promotion Division   | Ho Chi Minh Department of Industry and Trade                  |
| 8  | Mr. Huynh Van Hanh    | Director of Department of Justice  | Ho Chi Minh Department of Justice                             |
| 9  | Mr. Le Duc The        | Head of Legal Department   | Ho Chi Minh Department of Justice                             |
| 10 | Ms. Nguyen Thu Thao   | Chief Official   | Ho Chi Minh Department of Justice                             |
| 11 | Ms. Nguyen Nga        | Vice Head of Administrative Procedures Management  | Ho Chi Minh Department of Justice                             |
| 12 | Mr. Le Tan Minh       | Deputy Head of Trade Promotion Department, HCMC Investment and Trade Promotion Center (ITPC) | Ho Chi Minh Investment and Trade Promotion Center (HCMC ITPC) |
| 13 | Mr. Tran Binh         | Vice Manager of Trade Division   | Ho Chi Minh Investment and Trade Promotion Center (HCMC ITPC) |
| 14 | Mr. Nguyen Tuan       | Official at HCMC ITPC  | Ho Chi Minh Investment and Trade Promotion Center (HCMC ITPC) |
| 15 | Mr. Tran Xuan Trang   | Official at Trade Promotion Department   | Ho Chi Minh Investment and Trade Promotion Center (HCMC ITPC) |

## Business Associations

| # | Name                   | Position  | Organization  |
|---|------------------------|---|---|
| 1 | Mr. Tran Ngoc Liem     | Deputy General Director                           | Vietnam Chamber of Commerce and Industry –HCMC                      |
| 2 | Mr. Vu Xuan Hung       | Deputy Director of Legal – Arbitration Department | Vietnam Chamber of Commerce and Industry -HCMC                      |
| 3 | Mr. Bui Manh Hung      | Deputy Director of Legal – Arbitration Department | Vietnam Chamber of Commerce and Industry -HCMC                      |
| 4 | Mr. Nguyen Van Duc     | Official at Legal Department                      | Vietnam Chamber of Commerce and Industry -HCMC                      |
| 5 | Ms. Nguyen Thi Bich Ha | Vice President cum General Secretary              | The HCMC Women's Association for Women Executives and Entrepreneurs |
| 6 | Ms. Nguyen Phuong      | Management Broad Member                           | The HCMC Women's Association for Women Executives and Entrepreneurs |
| 7 | Ms. Nguyen Binh        | Official  | The HCMC Women's Association for Women Executives and Entrepreneurs |

## Private Companies

| # | Name                      | Position                                  | Organization                           |
|---|---------------------------|---|--|
| 1 | Ms. Duong Thu             | Customs Clearance Manager, OPS Department | TNT Express World Wide (Vietnam) Ltd., |
| 2 | Ms. Nguyen Thi Thanh Nhan | Official                                  | Intel Company                          |
| 3 | Mr. Dao Toan Thang        | Operations Manager                        | FEDEX                                  |

## Journalists

| # | Name                    | Position   | Organization             |
|---|-------------------------|------------|--------------------------|
| 1 | Ms. Tran Thi Thu Nguyet | Journalist | Saigon Times             |
| 2 | Ms. Vo Thi My Duyen     | Journalist | Vietnam Logistics Review |
| 3 | Ms. Nguyen Hoang Binh   | Journalist | Vietnam Logistics Review |

## Respondents in Da Nang

### Local Government Officials

| # | Name                 | Position  | Organization                             |
|---|----------------------|---|--|
| 1 | Mr. Nguyen Duc Tri   | Deputy Director of the Hoa Khanh-Lien Trieu District Customs Office | Da Nang Customs Department               |
| 2 | Ms. Ho Thi Phuong    | Deputy Head of the Risk Management Division                         | Da Nang Customs Department               |
| 3 | Ms. Nguyen Quynh Chi | Deputy Head of the Risk Management Division                         | Da Nang Customs Department               |
| 4 | Mr. Nguyen Ha Bac    | Deputy Director   | Da Nang Department of Industry and Trade |
| 5 | Mr. Hua Tu Anh,      | Director  | Da Nang Trade Promotion Centre           |
| 6 | Mr. Nguyen Huu Sia,  | Director General  | Da Nang Port                             |
| 7 | Mr. Phan Bao Loc     | Head of the Planning Division                                       | Da Nang Port                             |
| 8 | Mr. Le Hong Nam      | Head of the Business Division                                       | Da Nang Port                             |

### Business Associations

| # | Name                   | Position                         | Organization  |
|---|------------------------|----------------------------------|---|
| 1 | Mr. Nguyen Cuong       | Director                         | The Danang Branch of the Vietnam Chamber of Commerce and Industry |
| 2 | Ms. Truong Thi Kim Anh | Deputy Director                  | The Danang Branch of the Vietnam Chamber of Commerce and Industry |
| 3 | Mr. Tran Ky Nam        | International Relations Division | The Danang Branch of the Vietnam Chamber of Commerce and Industry |
| 4 | Mr. Nguyen Khanh Ngoc  | Head of Representative Office    | The Vietnam Association of Small and Medium Enterprises           |

## Journalists

| # | Name               | Position            | Organization                   |
|---|--------------------|---------------------|--------------------------------|
| 1 | Mr. Nguyen Hua Hai | Deputy Chief Editor | Danang Today Newspaper         |
| 2 | Mr. Bui Hoai Nam   | Journalist          | Vietnam News Agency in Da Nang |

### Private Companies

| # | Name             | Position         | Organization   |
|---|------------------|------------------|--|
| 1 | Mr. Ly Dinh Quan | General Director | Vietnam SQ Corporation - Member of the DANASME Association |

## Annex H: GIG Responses to Trade Facilitation Mid-term Evaluation

**EQ 1: Did GIG strengthen Vietnam’s legal and regulatory framework in compliance with its international commitments under the U.S.–Vietnam Bilateral Trade Agreement (BTA), the World Trade Organization (WTO), and the WTO Trade Facilitation Agreement (TFA)? If so, how and to what extent?**

**GIG response.** We agree with the mid-term evaluation.

**EQ 1a: Did GIG contribute to improvements in the public dissemination and consultation of trade facilitation laws and regulations, including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups? If so, how and to what extent?**

**GIG response.** We note some informants commented that the GIG Program was too “event-focused” and not sufficiently results-oriented. We would like to highlight that we shifted our program focus from events to technical assistance in implementation of work plan activities in year 3. We also note the comments on the brevity of Q&A sessions, and we will look into addressing the comments in our remaining Years 4 and 5.

**EQ 2: Is GIG progressing on its objective of building Vietnam border agencies’ capacity for trade facilitation? (See GIG activity content for scope of “capacity.”) If so, how and to what extent?**

**GIG response.** We note the comment on limited activity building border agencies’ capacity, and we appreciate acknowledgement of the constraints on working with non-primary counterparts. We however would like to highlight that the GIG Program has regularly involved other border-agencies in all field surveys on specialized inspection and trade facilitation workshops led by GDVC. For example, the GIG program invited representatives from all border agencies (MPS, MOIT, MARD, MOST, MOC, OOG, MOT, etc.) to attend technical workshops on categorization of A, B and C commitments of Vietnam under the WTO TFA. The GIG program has also engaged local customs or border agencies in field surveys and workshops when relevant. Because local agencies are not primary counterparts, and because there are a large number of agencies across 63 provinces, the GIG Program prioritized, in agreement with GDVC, engaging with key local agencies as the activities required.

**EQ 2a: Have GIG’s trainings, workshops, field visits, and other capacity-building activities resulted in sustainable capacity for Vietnam’s border agencies (including GDVC and others) with respect to trade facilitation. If so, which types interventions have been most effective?**

**GIG response.** We note the comments on sustainability of border agencies at the local level. As noted above, local agencies are not primary counterparts under the GIG Program, nor is it a program objective to strengthen the capacity of these agencies. Thus, there are constraints that limit our program activities in this area.

**EQ 3: Did GIG facilitate partnerships between Vietnamese Customs and the private sector to establish a strong business environment for international trade in Vietnam? If so, how and to what extent?**

**GIG response.** We appreciate the recognition of the GIG Program's contribution. This is a priority, and we see that the Program is in an advantageous position to play this bridging role.

**EQ 3a: Is there any geographic variation to GIG's achievement of this objective among Hanoi, HCMC, and other regions? If so, what factors have led to the differences?**

**GIG response.** We agree.

**EQ 3b: Has GIG's communications campaign surrounding Resolution 19 changed targeted audiences' awareness of and support for reforms to improve Vietnam's business environment? If so, how and for whom — including different firm sizes, men- and women-owned enterprises, and firms belonging to other disadvantaged groups?**

**GIG response.** We note the comment on the lack of evidence to establish the extent to which the GIG Program activities contributed to raising awareness and support of government reforms through Resolution 19. We would highlight the fact that support to Resolution 19 was carried out in close coordination with the lead agency CIEM within the framework of Resolution 19. Thus, we are of the view that it is important to put CIEM and the government in the leading role and provide support to CIEM where the technical assistance needs are, such as gathering evidence for monitoring.

## **RECOMMENDATIONS**

**Recommendation 1: “USAID and the GIG Program Management Unit (PMU) should rebalance the area focus of GIG's trade facilitation activities from strengthening the legal and regulatory framework toward undertaking additional capacity building at border agencies.”**

**GIG response.** We recognize the importance of strengthening the capacity of border agencies. In 2014 and 2015, the GIG Program focused our support on implementation of the Customs Law (which was introduced in 2014) and ratification of the WTO TFA in response to the GDVC's needs. We also supported a number of training programs on trade facilitation, such as rules of origin, risk management, and categorization of WTO TFA commitments as mentioned above. In the Year 4 Work Plan, we continue to support the GDVC to build capacity for customs officials at the central and local levels on key customs procedures, such as: management of goods processed and manufactured for export; verification of origin; intellectual property (inspection, supervision and temporary suspension of customs procedures for imported and exported goods that are subjects of intellectual property rights), and specialized inspection of imports and exports. We will continue to maximize opportunities to build capacity at border agencies in implementing activities defined in the approved Year 4 Work Plan.

**Recommendation 2: “In supporting the implementation of Resolution 19, GIG/USAID should focus more on strengthening the capacity of government agencies — especially at the local level — to implement the reforms envisaged in the resolution, including those aimed at reducing the time and cost of trading across borders”**

**GIG response.** With regard to the Trading Across Borders indicator in Resolution 19, the GIG Program prioritized our resources on reforming customs procedures and other ministerial regulations, which are developed by GDVC at the central level. An example is the GIG Program’s intervention by bringing various stakeholders, including business, together to discuss the need for abolishing the Ministry of Industry and Trade’s Circular 37, requiring formaldehyde testing procedures and causing huge costs for importers in 2015. Taking into account the recommendation, we will maximize opportunities to strengthen the capacity of government agencies at the local level within the scope of the approved Annual Work Plan.

**Recommendation 3:** “USAID and the PMU should collaborate with other donors and pertinent government agencies to develop and agree on a comprehensive program of technical assistance in capacity-building for trade facilitation, possibly based on the proposed list of Vietnam’s Category C commitments under the TFA.”

**GIG response.** We are of the view that a comprehensive program of technical assistance in capacity building is ambitious within the remaining period of the program. Nevertheless, we will continue coordinating with the World Bank, other donors and government agencies in implementing the program activities on trade facilitation to maximize synergies and technical expertise and to avoid overlap among donors.

**Recommendation 4:** “GIG/USAID should provide more technical assistance (particularly capacity-building assistance) to the government agencies responsible for specialized management of exports and imports.”

**GIG response.** We recognize that support to specialized management of exports and imports is critical for facilitating trade in Vietnam, and we agree to increase the provision of technical assistance where possible within the scope of the approved Annual Work Plan.

**Recommendation 5:** “In providing capacity capacity-building technical assistance to the GDVC and other border agencies, GIG/USAID should continue to facilitate partnerships of Vietnamese border agencies with their U.S. counterparts and to engage domestic and international experts who can provide information and share insights on international best practices.”

**GIG response.** We agree and will continue building on our previous engagement to facilitate this partnership.

**Recommendation 6:** “When providing capacity-building technical assistance to border agencies, GIG/USAID should make more effort to ensure that its assistance will result in sustained strengthening of the capacity of the border agencies for trade facilitation.”

**GIG response.** The GIG Program will continue cooperating with the GDVC and other border agencies to ensure continuity in work plan development every year and to avoid one-off activities.

**Recommendation 7:** “to develop appropriate indicators for monitoring and evaluation of capacity building to border agencies”

**GIG response.** The GIG Program worked with USAID in the first quarter of FY2017 to review, update and finalize the list of indicators, based on the program objectives, and the areas and priorities for the next two years. The final list of indicators were approved by January 2017; they included the indicator “Person hours completed in capacity building events supported by GIG,” which can be disaggregated by trade facilitation activities. In addition, in FY2016 we started

evaluating the effectiveness and impact of selected training programs (including those for trade facilitation, such as ROO); this will be continued in the next two years, in addition to the end-of-training evaluations that we have conducted since the beginning of the program. These types of evaluations will contribute to the qualitative review of capacity building activities.

In terms of the context, we will continue to closely follow the Program Objectives and Results Framework (comprised of Development Objective, Expected Results and Key Result Areas), but which do not particularly include trade facilitation or capacity building of border agencies.

**Recommendation 9:** “GIG should try to resume collaboration with the VCCI in conducting annual business perception surveys on customs procedures, try to expand the scope of the survey to include specialized management of exports and imports, and try to include questions on the impacts of GIG’s trade facilitation activities (including capacity-building activities) in the survey questionnaire.”

**GIG response.** We agree.

**Recommendation 10** - GIG should make greater efforts to involve firms owned by ethnic minorities in public consultations, information dissemination events, and field visits on laws, regulations, and international agreements related to trade facilitation, as well as keep a record of the participation of SMEs and firms owned by women, ethnic minorities, and other disadvantaged groups in these events.

**GIG response.** We agree and will continue to: a) engage and invite firms owned by women, ethnic minorities and other disadvantaged groups in relevant activities; b) add a category on type of firm to our registration and evaluation forms to maintain a record of such participants, and request our staff to monitor participation from this group.

**Recommendation 11** - GIG should ensure that sufficient time is allotted for discussions and Q&A sessions during GIG-supported public consultation and information dissemination events.

**GIG response.** We agree.

**Recommendation 12:** “GIG/USAID should rebalance the geographical focus of the support for trade facilitation (including support for capacity-building and government-business partnerships) away from the northern and southern parts of Vietnam and toward the center of the country to help central provinces reduce the time and costs of trading across borders and increase their involvement in international trade.”

**GIG response.** We have reservations on this recommendation. A rebalancing of geographical focus of support for trade facilitation away from northern and southern parts of Vietnam will divert technical support from the largest import and export centers in Vietnam. Key trading ports, including Cat Lai Port, Hai Phong Port, Noi Bai Airport and Tan Son Nhat Airport are in these regions. Da Nang Port has much less capacity (according to Vietnam Customs’ statistics, in 2016, Danang only accounted for 0.9% of customs declarations in all Vietnam).. Staff from border agencies in the center are invited to join GIG Program’s activities organized in the North and South. In many trade facilitation consultative workshops the objectives are to solicit comments from businesses, of whom the majority are based in Hanoi and HCMC.

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