

# ANNUAL REPORT

## TRADE FACILITATION PROGRAM

October 2020 – September 2021

**DISCLAIMER**






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# USAID TRADE FACILITATION PROGRAM

## FY 2021 Annual Report

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## ACRONYMS

AEO	Authorized Economic Operator
AHTN	ASEAN Harmonized Tariff Nomenclature
AMELP	Activity Monitoring, Evaluation, and Learning Plan
ASEAN	Association of Southeast Asian Nations
ASW	ASEAN Single Window
BPMN	Business Process Mapping and Nomenclature
C2B	Customs-to-business
C/O	Certificate of Origin
CBP	U.S. Customs and Border Protection
CCS	Customs Control and Supervision Department
CIEM	Central Institute for Economic Management
CLA	Collaborating, Learning, and Adapting
CRMB	Customs Reform and Modernization Board
DDG	Deputy Director General
DOIT	Department of Industry and Trade
e-LMS	e-Learning Management System
EPE	Export Processing Enterprises
FTA	Free Trade Agreement
FY	Fiscal Year
GDVC	General Department of Vietnam Customs
GVN	Government of Vietnam
GVC	Global Value Chain
HCMC	Ho Chi Minh City
HS	Harmonized System
ICT	Information and Communication Technology
IRC	Investment Registration Certificate
IRM	Integrated Risk Management
IT	Information Technology
ITC	International Trade Center
LinkSME	USAID Linkages for Small and Medium Enterprises Project
LMD	Leadership and Management Development
MARD	Ministry of Agriculture and Rural Development
MEL	Monitoring Evaluation and Learning
MOF	Ministry of Finance
MOH	Ministry of Health
MOIT	Ministry of Industry and Trade
MOST	Ministry of Science and Technology
MOT	Ministry of Transport
NSW	National Single Window

NTFC	National Trade Facilitation Committee
PCA	Post-Clearance Audit
PMU	Project Management Unit
PSTF	Private Sector Trade Facilitation
PTFC	Provincial Trade Facilitation Committees
RM	Risk Management
ROO	Rules of Origin
SEN	Supplementary Explanatory Note
SI	Specialized Inspection
SILR	Specialized Inspection Legal Review
SME	Small and Medium Enterprises
SOW	Scope of Work
STTA	Short Term Technical Assistance
TF	Trade Facilitation
TFA	WTO Trade Facilitation Agreement
ToT	Training of Trainers
TRAV	Trade Remedies Authority of Vietnam
UK	United Kingdom
FCDO	UK Foreign and Commonwealth Development Office
US	United States
USAID	United States Agency for International Development
VCCI	Vietnam Chamber of Commerce and Industry
VCS	Vietnam Customs School
WCO	World Customs Organization
WTO	World Trade Organization

## EXECUTIVE SUMMARY

In fiscal year 2021 (FY 2021), the USAID Trade Facilitation Program (“the Program”) made considerable progress towards its goal of expediting cross-border trade. Apart from widening its engagement beyond its primary counterpart, the General Department of Vietnam Customs (GDVC), to other Government of Vietnam (GVN) units, the Program also made significant progress in specialized inspections reform and on activities in the provinces while tackling the recurrent challenges posed by the ongoing COVID-19 pandemic.

### FY2021 HIGHLIGHTS

Highlights from October 2020 to September 2021 include substantial support to streamline specialized inspections procedures, improve Vietnam’s implementation of provisions of the [World Trade Organization \(WTO\) Trade Facilitation Agreement \(TFA\)](#), setting up of Provincial Trade Facilitation Committees (PTFCs), expansion of activities to more GVN units, and deepening engagement with the business community.

### COMPONENT 1: HARMONIZING POLICIES AND PROCEDURES ACROSS GVN UNITS

*Reforming Specialized Inspections (SI).* On January 12, 2021, the Prime Minister issued [Decision 38/QD-TTg](#) approving the new Scheme on reforming SI for imported goods, developed by GDVC with Program support. After the approval, the Program began supporting GDVC to develop a decree outlining implementation of the Scheme. The reform of SI procedures is a key objective of the Program, and the new Scheme will help streamline the procedures for businesses thereby facilitating international and cross-border trade. To support GDVC in drafting the decree that will regulate the SI Scheme, the Program completed a regulatory impact assessment (RIA) to estimate the cost-savings for businesses once the decree enters into force. The RIA bolsters the Ministry of Finance’s (MOF) advocacy for the decree despite concerns from other agencies. The MOF considers development of the draft decree a key task, which will not only make customs the focal point for certain SI but will also create a breakthrough in changing state management of trade. Once implemented, the Scheme will result in reduced time for the clearance and release of goods while still ensuring effectiveness of state management controls for free, fair, and reciprocal trade. (See Activity 1.3 for more details).

#### IMPACT ASSESSMENT FINDINGS

- ✓ Implementation of the new SI decree may generate annual cost savings of \$66.8 million for businesses
- ✓ \$10.2 million in compliance costs savings by simplifying 13 administrative procedures
- ✓ \$56.6 million in savings for business by cutting other costs and time to complete procedures.

*Enabling Vietnam to Implement its WTO TFA Commitments.* Finalized in early FY2021, the Program undertook a situational assessment of Vietnam’s implementation of the WTO TFA. The Program’s assessment is the first to be carried out since Vietnam’s prior self-assessment and subsequent notifications to the WTO on implementation of TFA provisions in November 2018. The assessment concluded that Vietnam was on the right track towards full compliance with the provisions of the WTO TFA as 74 percent of measures appear to be in full compliance by the beginning of 2021, and only 13 measures still require further reform. (See Activity 1.4 for more details).

### COMPONENT 2: STRENGTHENING NATIONAL AND PROVINCIAL COORDINATION

*Facilitating Trade through E-Commerce.* The number and value of e-commerce transactions dramatically rose in the past year due to the shift in online shopping brought about by COVID-19. In FY2021, the Program assisted GDVC in drafting the decree that will regulate customs procedures for imported and exported goods transacted via e-commerce. The decree fills an existing legal gap, which has caused confusion leading to delays and bottlenecks in the clearance of goods. The Program also completed a *Research Paper and International Survey on Best Practices for Management of Goods Transacted via Cross-Border E-Commerce*. The study is based upon the experience of customs authorities in China, the European Union (EU), Japan, Singapore, and the United States. (See Activity 2.1 for more details).



Photo 1: Handover of the eLMS to VCS in December 2019.

### COMPONENT 3: STRENGTHENING PROVINCIAL LEVEL IMPLEMENTATION AND INTER-PROVINCIAL COORDINATION.

**Building Customs officials' Capacity.** Over the past year, the Program continued to support the Vietnam Customs School (VCS) in improving VCS capabilities to deliver e-learning courses. VCS, GDVC and the Program were acutely aware of the importance of e-learning and its role in the future of capacity building for Customs officials due to the impact of the COVID-19 pandemic. Highlights of the Program's support include the handover of management of the e-Learning Management System (eLMS) to VCS, training of trainers (ToT) courses, and the enhancement of existing features and interface of the eLMS. (See Activity 3.3 for more details).

**Supporting Trade in the Provinces.** In mid-FY2021, the Program finalized the report "A Better Port: Improving Trade Logistics in and Around Cat Lai Terminal in Ho Chi Minh City", which includes recommendations to address the congestion at Vietnam's busiest port. Throughout the year, the Program engaged with GVN stakeholders to gather institutional support to carry out feasibility studies on key recommendations including a larger-capacity container-on-barge system to serve the transit needs on the river system between Cat Lai and the deep-water Cai Mep port, and a specialized barge terminal in Cai Mep to accommodate an expected surge in container-on-barge requirements (See Activity 3.6 for more details).

### COMPONENT 4: ENHANCING PARTNERSHIPS BETWEEN CUSTOMS AND THE PRIVATE SECTOR

**Improving Private Sector Engagement.** This is the first year of the Program's organization of Private Sector Trade Facilitation (PSTF) meetings. Although informal in nature, the meetings serve as an additional channel for the Program to share and solicit feedback from a targeted group of senior business executives on the Program's ongoing activities. Topics at the PSTF meetings range from specialized inspection reforms to management issues faced by Export Processing Enterprises (EPEs). In previous years, GDVC was reluctant to allow the organization of the PSTF meetings but the successful organization of PSTF meetings throughout FY2021 shows GDVC's increased trust in the Program and the agency's closer attention to private sector engagement. (See Activity 4.3 for more details).

**Deepening the Private Sector's Role at the Local Level.** Throughout FY2021, the Program endeavored to establish local trade facilitation mechanisms or PTFCs, which are composed of local authorities and representatives of the business community in the six selected provinces. The establishment of a PTFC enables the Program to work directly with local authorities on specific issues and technical assistance needs and will help in improving coordination with GVN units at the central level. PTFCs also give businesses a platform to work directly with local authorities on trade facilitation issues. Coordination between the central and local level with strong private sector engagement is essential to effectively implement reforms to reduce the time and cost to trade (See Activity 4.8 for more details).

**Strengthening Customs-Business partnerships.** The Program together with VCCI and GDVC completed the 2020 [Business Satisfaction Report on the Implementation of Import-Export Administrative Procedures](#) (Customs Satisfaction Survey/"CSS") marking the Program's first time to support the report. Unlike previous iterations, CSS 2020 includes reports on the performance of six key customs departments as well as on the specialized management of other ministries. The CSS is a treasure trove of information and areas of improvement for the GVN to further facilitate trade. Following the [virtual launch event of the CSS in July 2021](#), the Office of the Government (OOG) issued an official dispatch to line ministries to study the CSS 2020 report (See Activity 4.4 for more details).

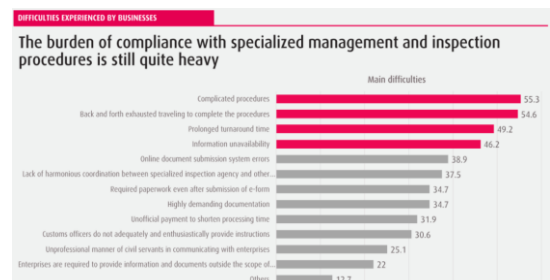


Photo 2: Excerpt from CSS 2020 showing main difficulties with SI.





# 1. PROJECT AND FY2021 OVERVIEW

## PROJECT DESCRIPTION

The USAID Trade Facilitation Program (“the Program”) is a five-year project (2018 to 2023) that aims to support the adoption and implementation of a risk-based approach to customs and technical (“specialized”) inspection institutions in Vietnam. Attaining this objective will facilitate the implementation of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA). The Government of Vietnam (GVN) counterpart for the Trade Facilitation Program is the General Department of Vietnam Customs (GDVC), which also acts as the focal point of the National Trade Facilitation Committee (NTFC). Within this context, the Program supports national and provincial stakeholders in promoting the benefits to be gained by applying a risk management approach to specialized inspections, which impede trade and cause delays in border clearance. The Program aims to strengthen the role and capacity of the NTFC to effectively implement and coordinate trade facilitation policies and procedures, and to promote more proactive public-private dialogue.

In addition to technical assistance at the central level, the Program will secure provincial buy-in by localizing technical assistance in six provinces identified and selected in close cooperation with GDVC, i.e., Hanoi, Hai Phong, Da Nang, Quang Tri, Ho Chi Minh City, and Dong Nai. In implementing activities, the Program will look to engage the private sector, the ultimate beneficiaries of trade facilitation, as advocates to champion reforms. Achieving the Program’s objectives will help improve the trade environment for Vietnamese and U.S. companies and help local small and medium enterprises (SMEs) further integrate into global value chains.

# USAID TRADE FACILITATION PROGRAM YEAR THREE MILESTONES

**October 2020**  
**Workshop Series on Legal Acts on Risk Management**  
 The Program supported the General Department of Vietnam Customs (GDVC) in developing and disseminating the first ever regulation on risk management in customs.

**November 2020**  
**Establishment of Dong Nai Steering Committee on Trade Facilitation**  
 Dong Nai becomes the first province to establish a Provincial Trade Facilitation Committee. (PTFC)

**December 2020**  
**2<sup>nd</sup> Private Sector Trade Facilitation Consultative (PSTF) Group Meeting**  
**Training of Vietnam Customs School (VCS) Trainers on E-Learning**  
 The Program supported VCS to deliver a training series on course development, filming, and e-learning management.

**January 2021**  
**First Workshop with the Ministry of Agriculture and Rural Development**  
**Handover of the E-Learning Management System (eLMS) to VCS**  
 VCS assumes full control of the eLMS

**February 2021**  
**Issuance of Resolution 24/NQ-CP on the Development of a Decree to Manage Customs Administration of E-Commerce**

**April 2021**  
**Training on Coordinated Border Management at Lao Bao Border Gate in Quang Tri province**  
**Workshop on Vietnam’s Implementation of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA)**  
 The Program assesses that Vietnam is on track to fulfill its commitments under the WTO TFA

**June 2021**  
**First Meeting with the Vietnam Chamber of Commerce and Industry (VCCI) on Reforming the National Trade Facilitation Committee (NTFC)**  
 The Program and VCCI begin collaborating to strengthen the role of the private sector in the NTFC.

**August 2021**  
**Virtual Training with US Customs and Border Protection on Post-Release Audit**

**September 2021**  
**First Meeting with the Vietnam Business Forum (VBF) on to Explore Cooperation**  
 The Program begin discussions on potential joint advocacy efforts with three VBF working groups.

**Virtual Dissemination Workshop on the WTO TFA with VCCI Da Nang**  
 The Program holds its first event with VCCI’s regional chapter in Da Nang

**December 2020**  
**Prime Minister Approval of the New Scheme on Specialized Inspection**  
 Through Decision 38/QĐ-TTg, the government approved the Ministry of Finance/GDVC’s proposals to radically reform quality and food safety inspections.

**March 2021**  
**Establishment and First Technical Meeting the Quang Tri Steering Committee on Trade Facilitation**  
 Quang Tri becomes the first province to host an official meeting of its PTFC.

**Meeting with Vice Minister of Finance on National Trade Facilitation Committee Report**  
**Meeting on Specialized Inspection with the American Chamber of Commerce and Industry Supply Chain & Logistics Committee**

**May 2021**  
**Establishment of the Trade Facilitation Steering Committee of Da Nang City**

**July 2021**  
**Virtual Launch Event for the 2020 Business Satisfaction Report on the Implementation of Import-Export Administrative Procedures**  
 The 2020 survey is the first to include results for selected provinces as well as feedback on specialized inspection procedures by line ministries.

**September 2021**  
**Virtual Gender Equality and Integrity Training for Customs Officials**  
 The Program trains VCS instructors and students on gender equality and collaborates with Transparency International to present on anti-corruption.

**3<sup>rd</sup> PSTF Group Meeting in Hanoi**  
**1<sup>st</sup> Private Sector Trade Facilitation Consultative Group Meeting in Ho Chi Minh City**  
 The Program launches a PSTF Group in Ho Chi Minh City and holds the first meeting virtually.

## 2. WORK PLAN IMPLEMENTATION PROGRESS

USAID Trade Facilitation Program activities are organized into four components:



### Component 1

Harmonization and simplification of key risk management and specialized inspection-related policies at the central level and strengthening the role of the NTFC.



### Component 3

Strengthening the provincial level implementation and inter-provincial (horizontal) coordination in at least five targeted provinces.



### Component 2

Strengthening National-Provincial (Vertical) coordination of trade facilitation strategies and facilitating import and export of goods.



### Component 4

Enhancing the partnership between customs and the private sector.

This section gives an overview of ongoing and completed activities and provides a summary of results by the end of FY2021, and priorities for the first quarter of FY2022.

### 2.1. COMPONENT 1

Activities in Component 1 aim to ensure the facilitation of legal and regulatory initiatives that are of the highest priority for the GVN or hold the best potential for contributing to the effective implementation of the WTO TFA, with particular attention to Vietnam's Category B and C commitments.

#### ACTIVITY 1.1 – NATIONAL SINGLE WINDOW (NSW) AND ASEAN SINGLE WINDOW (ASW)

In FY2021, the Program completed a report providing a detailed scheme for setting up and developing an IT system to improve the implementation of the NSW and ASW with a focus on service delivery to the private sector. The Program also began preparations for a feasibility study into an automated system to measure the time it takes to process administrative procedures through the NSW. Following the Program's recommendations, GDVC, in coordination with line ministries, started developing a master plan to build the IT system. However, the GVN delayed assigning GDVC with the task of drafting a new decree on connection and sharing information between state agencies and other stakeholders through the NSW, due to concerns raised by line ministries. The Program will provide further support to GDVC in advocating the importance of the new decree as a critical element to improve the NSW.

#### ASW REPORT SUMMARY

- ✓ Provides technical advice to develop a new decree on connection and sharing of information between agencies and other stakeholders through the NSW based on international practices.
- ✓ Proposes an NSW master data management supporting the adoption of a more risk-based approach to customs and SI.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* Reform and expand the NSW to improve transparency within the private sector, and to enhance cooperation as well as integration of processes and procedures related to customs clearance of imports and exports, including specialized inspections.</li> <li>* Feasibility study for an automated system to measure time and assess effectiveness of NSW.</li> <li>* Develop and submit for approval a decree on connection and sharing of information between state agencies and with other stakeholders through the NSW.</li> <li>* Strengthen the implementation of the NSW, including implementing the master scheme on developing and expanding the technology and information system for the purpose of implementing the National single window and ASEAN single window.</li> <li>* Enhance implementation of the NSW, including the overall scheme to set up an IT system.</li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* Situational assessment and survey of current situation with IT systems of other government ministries for implementation of NSW.</li> <li>* Sharing international experience with recommendations for the way forward.</li> <li>* Inputs to draft decree on connection and information sharing for NSW.</li> <li>* Report on international experience on legal framework.</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Conduct situational survey of the actual steps in the supply chain involving all stakeholders (banks, logistics, warehouse and terminal operators, customs, specialized inspection bodies), considering the results of the <i>2020 NSW Business Satisfaction Survey</i>.</li> <li>* Start developing a set of indicators and propose an effective survey method.</li> <li>* Start working on a feasibility study and prepare a comprehensive report on potential for development of an IT system or facility/function which will measure the time to implement administrative procedures on NSW to assess its effectiveness.</li> </ul>

## ACTIVITY 1.1BIS – SUPPORT THE DEVELOPMENT AND IMPLEMENTATION OF THE SCHEME ON REDESIGNING THE BLUEPRINT FOR AN OVERALL CUSTOMS IT SYSTEM

Automation of customs procedures and the increased use of ICT is critical to modern customs administration and trade facilitation. Automated customs systems facilitate trade through the standardization of forms, documents and data and simplification and digitalization of customs clearance procedures. Businesses will benefit from reduced clearance times and fewer physical inspections as integrated ICT systems enable the more effective use of risk management. Additionally, modern ICT systems help strengthen customs operational efficiency in collecting duties and identifying and combatting trade fraud.

### ICT SYSTEM ASSESSMENT

The Program's assessment of the new ICT system focuses on the following key processes and requirements:

- ✓ Clearance procedures including documentary requirements, valuation, HS codes, origin, intellectual property, and release.
- ✓ Inward and Outward Processing Relief, Export Processing Enterprises (EPEs) and manufacturing for export.
- ✓ Supervision processes of goods entering, exiting, and storing at seaports and airports.
- ✓ Process for transporting goods under Customs control.
- ✓ Risk management throughout the business requirement
- ✓ Post Clearance Audit (PCA) and Authorized Economic Operators (AEOs)

In late FY2020 and early FY2021, GDVC drafted a comprehensive business model and requirements to design and develop a new fully integrated e-Customs ICT system. GDVC subsequently utilized the business model and requirements to develop the Business Process Model and Notation (BPMN) for the system. The BPMN is a standardized graphical representation of processes and is a significant improvement compared to previously prepared diagrams. Following these, GDVC requested the Program to review and assess the business model and requirements in comparison with the practices of developed countries and international standards such as those of the WCO.

In Q3 of FY2021, the Program conducted a review of the ICT system's descriptive documents and diagrams, collated the business models and requirements into key areas and translated a significant number of documents for review and validation. Given the scale of the tasks and number of documents, the Program will continue its review and validation of the business model and requirements into FY2022. The

new ICT system is one of GDVC's flagship projects and is expected to be fully functional in 2023 under a five-year Build, Lease, Transfer (BLT) agreement with an ICT provider. The Program's current assistance to GDVC will lay the groundwork for the system's initial operations in early 2023.

FY2021 Objectives	Development and implementation of the Scheme on redesigning the blueprint for an overall Customs ICT system
FY2021 Results	<ul style="list-style-type: none"> <li>* Completed the Business models and requirements and developed business process models and notations.</li> <li>* Completed the preliminary review, translation, and collation of business models and requirements</li> <li>* Completed the review questions for clarification, tabulated and classified into the key areas for review and validation</li> <li>* Obtained the written responses and clarifications from functional departments of GDVC</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Mobilization of international experts to Vietnam to hold in-person meetings with representatives of the GDVC working groups to revise the functional and operational requirements to develop the new Customs ICT system.</li> <li>* Continue assisting GDVC in reviewing and assessing key controls, processes or requirements in the business model and requirements prepared by GDVC.</li> <li>* Continue to prepare a review report with recommendations and validation based upon good practices, international experience, and standards.</li> <li>* Support GDVC in verifying the vendor's system design to be in line with the system's requirements.</li> </ul>

## ACTIVITY 1.2 – APPLICATION OF BLOCKCHAIN TECHNOLOGY

No tasks under this activity for FY2021. Activity 1.1bis will continue contributing to achieving objectives of activity 1.2 in FY2022.

### ACTIVITY 1.3 – SPECIALIZED INSPECTION OF IMPORTS AND EXPORTS

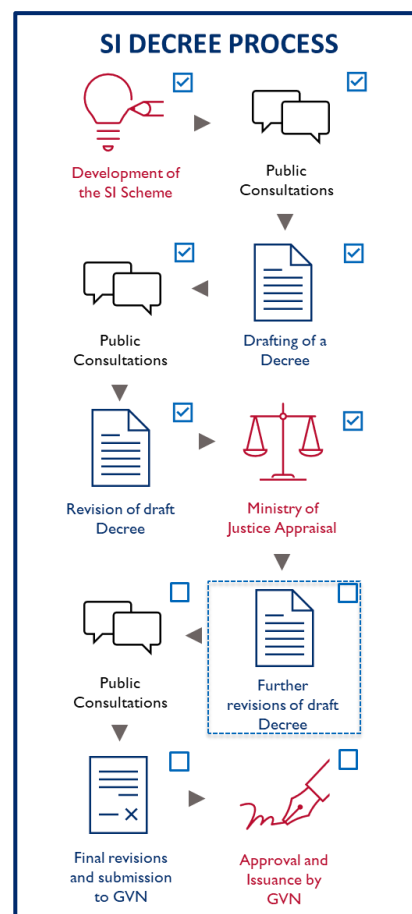
In FY2021, the Program focused on three different areas within this activity.

**Specialized Inspection Legal Review (SILR).** In Q1, the Program and GDVC Customs Control and Supervision (CCS) Department organized the 4<sup>th</sup> SILR, whose results were conveyed to the NTFC and sent to relevant ministries for issuance of new regulations on lists of SI goods with HS codes. The results also aided ministries in revising relevant legal documents for further simplification of SI procedures. Due to social distancing policies to contain COVID-19, GDVC was forced to delay the subsequent planned SILRs to FY2022.

**Line Ministries.** The Program worked closely with key line ministries to complete its fact-finding review to assess the current situation of SI reforms, identify significant issues and to propose technical assistance activities to help tackle issues negatively impacting trade. In the latter half of FY2021, the Program worked with the Central Institute for International Management (CIEM), Ministry of Industry and Trade (MOIT), and the Ministry of Agriculture and Rural Development (MARD). The cooperation with CIEM produced two thematic reports on the results of GVN agencies' implementation of Prime Minister Resolutions 19 and 02, which aimed to improve the business environment from 2015-2020. The thematic reports also include recommendations to develop a new Resolution 02, to be issued in early 2022. The assessment identified further reforms needed in areas under the management of line ministries which may require Program support in FY2022.

In cooperation with MOIT, the Program worked on three thematic reports on (1) energy efficiency inspection; (2) specialized management (permits); and (3) SI under MOIT management. With MARD, the Program assisted in drafting of a new circular to amend and supplement Circular 15/2018/TT-BNNPTNT promulgating goods and HS codes under MARD management. In FY2021, the Ministry of Science and Technology (MOST) asked the Program to delay implementation of a planned situational study the implementation of Law on Product and Goods Quality on State Quality Inspection and Law on Standards and Technical Regulation. The Program will work on this topic in FY2022.

**New SI Decree.** In FY2021, the Program supported MOF and GDVC to draft the decree to implement the new SI Scheme. Program support ranged from the organization of consultative workshops to collection of feedback on the first versions of the decree to a series of technical working groups to address the comments collected. Moreover, the Program also supported GDVC in emphasizing the positive impact of the new decree to GVN leadership and line ministries through the preparation of a regulatory impact assessment for administrative procedures and provided compliance costs under the draft decree. The Program also carried out an analysis of the decree's legal compatibility with existing laws while GDVC submitted the draft decree to the Ministry of Justice (MOJ) for appraisal. This report helped GDVC in understanding and addressing the concerns raised by the MOJ on the draft decree. The Program played an important role in advocating for the GVN to notify the WTO about the draft decree through the preparation of a legal analysis of the WTO TFA provisions on notification. Final GVN approval of the decree is pending, due to concerns raised by line ministries on the impact and feasibility of the reforms introduced by the decree.



FY2021 Objectives	Simplification of imports-exports specialized inspections procedures in implementing Resolutions 19 and 02 of the Government and the other instructions to facilitate trade for businesses
FY2021 and Results to Date	<ul style="list-style-type: none"> <li>*Four Specialized Inspections Legal Reviews (SILR) to develop reports and proposals to GDVC and other line ministries on amendments to SI legal documents, list of goods for HS codes, and contributions to the report for the NTFC.</li> <li>*SI Scheme: <ul style="list-style-type: none"> <li>o Three consultative workshops to collect feedback on the SI decree.</li> <li>o A series of working groups to support the drafting team for the new decree, and comments on various drafts of the SI decree.</li> <li>o Impact assessment for administrative procedures of the SI decree.</li> <li>o Report providing a legal analysis on the SI decree to verify its consistency with the present legal framework.</li> </ul> </li> <li>*Support CIEM to review implementation of Resolution 19 and 02. <ul style="list-style-type: none"> <li>o Surveys and interviews in five provinces</li> <li>o Two thematic reports on assessment of Resolutions 19 and 02.</li> <li>o Develop new version of Resolution 02 on business environment and national competitiveness (focus on SI reform)</li> </ul> </li> <li>*SI reforms under the management of MARD: <ul style="list-style-type: none"> <li>o Two working group discussions to review, develop and appraise a Circular replacing Circular 15/2018/TT-BNNPTNT</li> <li>o Comments and recommendations to the Draft Circular.</li> </ul> </li> <li>*SI reforms under the management of MOIT: <ul style="list-style-type: none"> <li>o Advancement on the preparation of three thematic reports on (1) energy efficiency inspection; (2) specialized management (permits); and (3) SI under MOIT management.</li> </ul> </li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>*Publication of the CIEM report on the implementation of Resolutions 19 and 02 and the impact on specialized inspections procedures and on trading across borders.</li> <li>*SI reforms under MOIT: Finalization of three reports on the current situation, international experience, and solutions for specialized management, inspection, and energy efficiency.</li> <li>*With the Ministry of Science and technology (MOST): Assessment of the implementation of the <i>Law on Product and Goods Quality on State Quality Inspection and Law on Standards and Technical Regulations on Conformity Certification and Announcement for Imports-Exports</i>.</li> <li>*Further revisions of the draft SI decree and the regulatory impact assessment.</li> </ul>

#### ACTIVITY 1.4 – ADMINISTRATION OF WTO TFA IMPLEMENTATION

In early FY2021, the Program completed a study assessing the status of Vietnam’s implementation of the WTO TFA. The report analyzes all Category A, B, and C measures and provides recommendations for a coordination and monitoring mechanism, and a roadmap for next steps. The pandemic impacted the Program and GDVC’s plans to disseminate the report to line ministries and the business community through public events. One hybrid workshop was organized in Q2, and a second, planned in Q3, had to be cancelled. The second workshop was replaced with gathering written feedback from stakeholders. GDVC then prepared a plan that, following the recommendations of the report, proposes to the GVN to shift several measures previously notified to the WTO as Category B or C into Category A or fully compliant. By the end of FY2021, the Program agreed with the GDVC PMU to prioritize specific activities in FY2022 to ensure Vietnam’s compliance to all WTO TFA articles within the committed deadlines. In FY2022, the Program will support GDVC with the necessary actions to promote compliance with *Article 5.1 (Notification for Inspection)* and *10.4 (National Single Window)* of WTO TFA by the end of 2021.

FY2021 Objectives	Enhance the implementation of WTO TFA commitments
FY2021 Results	<ul style="list-style-type: none"> <li>*Updated report and suggested solutions for implementation.</li> <li>*A list of items to be further implemented/finalized to implement the WTO TFA.</li> <li>*One consultative workshop and circulation of the assessment report.</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>*Assess the legal, regulatory, and institutional situation, identify gaps, provide recommendations on WTO TFA commitments to be implemented by 2021</li> <li>*Build a database to manage, monitor, evaluate, and look up the implementation of commitments on customs clearance and trade facilitation included in Vietnam’s international agreements</li> <li>*Collect further feedback from relevant stakeholders</li> </ul>

## ACTIVITY 1.5 – SUPPORT AND INCREASE THE ROLE AND EFFECTIVENESS OF THE NTFC INCLUDING STANDING OFFICE AND ANY WORKING GROUPS CREATED

In the beginning of the year, the Program finalized its situational assessment of the NTFC. The study compared Vietnam’s NTFC model with that of other countries (including the United States, Australia, Indonesia, Malaysia, Korea, and Singapore) and included a wide-ranging analytical report. Since Q3, the Program worked with the GDVC PMU on designing the necessary steps to implement the report’s priority recommendations. After agreeing that any institutional changes would have required complicated and lengthy procedures involving key GVN agencies, the Program and the PMU identified that the only viable means to expand the role of the private sector in the NTFC is to create a strong partnership with VCCI. GDVC also agreed that VCCI can help the Program and GDVC in strengthening GVN-Business relations to promote dialogue on specific trade facilitation topics through informal meetings with stakeholders. As a member, VCCI can then formally introduce the results of these dialogues at NTFC meetings.

NTFC STUDY PRIORITY RECOMMENDATIONS
✓ Expansion of the involvement of private sector associations and businesses in the NTFC (beyond only VCCI and the Vietnam Logistics Association).
✓ Establishment of working groups or sub-committees and prioritize provincial level involvement.

FY2021 Objectives	Support Vietnam in implementing measures in the TFA, reforming the trade facilitation mechanism, and raising awareness.
FY2021 Results	* Situational assessment report, suggestions and solutions, status, or progress reports of TFA implementation. * Consultation with VCCI and other stakeholders to identify the actions to implement the recommendations of the assessment report
Priorities for FY2022 Q1	Follow-up activities from NTFC review and assessment: * Support the dissemination of the report to the relevant stakeholders, collecting feedback * Strengthen the role of the private sector supporting VCCI in having a leading role

## ACTIVITY 1.6 – IMPROVE CUSTOMS LEGAL FRAMEWORK

The Program completed two studies on (a) customs procedures; management of export processing goods, and AEOs; and (b) specific aspects of specialized inspection. The reports contributed towards further improvements to customs’ legal framework through revision of *Decrees 08/2015* and *59/2018*. The findings also contributed to the preparation of the *Customs Development Strategy for 2021-2030* (see activity 4.6) and the requirements for a new integrated ICT system (see activity 1.1 bis). GDVC is still in the process of revising *Decree 08* to address the comments raised by several line ministries. The Program agreed to provide further support to revise the decree in FY2022.

FY2021 Objectives	A decree revising and supplementing Decree 08/2015/ND-CP and Decree 59/2018/ND-CP on customs procedures
FY2021 Results	* Consultative workshops to get feedback and comments on the draft Decree revising and supplementing Decree 08/2015/ND-CP * Two research papers on (a) customs procedures, Export Processing Enterprises (EPEs), AEOs and (b) SI reform under GDVC Deputy Director General (DDG) Mai Xuan Thanh to support for the revision of Decree 08. * Support the GDVC/MOF to disseminate Decree 18/2021/ND-CP
Priorities for FY2022 Q1	* Further support to GDVC to revise the legal text of Decree 08 * Organization of an online consultative meeting to collect feedback on the draft of Decree 08 * Review the current legislation on inward processing relief

## 2.2. COMPONENT 2

Component 2 aims to facilitate the clearance of goods by ensuring that GVN policies and procedures are implemented more effectively through strengthened coordination. Policies formulated by GVN agencies are not uniformly implemented at the provincial level. However, a degree of independence on how to implement policies can create opportunities for provinces while at the same time can influence national policies and procedures. The goal is for customs formalities to be simplified and harmonized in line with international standards and for procedures to be made more transparent.

### ACTIVITY 2.1 – E-COMMERCE FOR IMPORTED AND EXPORTED GOODS

The Program assisted GDVC in drafting the decree that will regulate customs procedures for imported and exported goods transacted via e-commerce. The GVN urged GDVC to draft the decree to fill an existing legal gap, as there are no regulations on customs management of e-commerce. This legal gap leads to delays and bottlenecks in the clearance of goods. The Program’s assistance consisted of providing comments and recommendations to different draft versions of the decree, and in supporting GDVC in the organization of online consultative workshops to collect feedback from the business community. Moreover, the Program completed a *Research Paper and International Survey on Best Practices for Management of Goods Transacted via Cross-Border E-Commerce*. GDVC plans to submit the decree to the Government in Q1/2022. The Program will contribute to the decree’s dissemination, specifically targeting the business community.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* Develop legal documents and customs operational measures and techniques to support importation and exportation of goods via e-commerce.</li> <li>* Efficient cross-border e-commerce activities in customs operations</li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* Provided information and guidance on customs’ management of e-commerce from several of Vietnam’s key trading partners including China, Japan, Singapore, the United States, and the European Union.</li> <li>* Supported drafting the e-commerce decree.</li> <li>* Organized a consultative workshop to collect the feedback on the draft decree from businesses.</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Continue supporting GDVC to develop the new decree on e-commerce which is expected to submit the Government by the end of December 2021</li> <li>* Dissemination of the new decree to local customs, private sector, and stakeholders</li> </ul>

### ACTIVITY 2.2 – SELF-CERTIFICATION OF ORIGIN AND VERIFICATION OF ORIGIN

Although included in the FY2021 work plan, tasks under activity 2.2 were severely hampered by restrictions on public events to control COVID-19. Several tasks will be carried to FY2022.

Progress to Date	<ul style="list-style-type: none"> <li>* Sub-activity 2.2.1: the Program delivered the dissemination workshop on updated provisions on certificate of origin under the free trade agreements in November 2020. The Program and GDVC CCS Department planned to organize subsequent training activities, but these were indefinitely postponed due to COVID-19 restrictions.</li> <li>* Sub-activity 2.2.3 on Development of the Roadmap for self-certification, the Program developed the Activity Implementation Plan and shared this with the MOIT Foreign Trade Agency (FTA). The Program had not yet received the FTA’s feedback on the implementation plan by Q3. Due to continued COVID-19 restrictions, the Program and FTA agreed to implement the sub-activity in Year 4.</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Development of the roadmap for self-certification and train the regulatory agencies and trading community, to implement the self-certification of origin.</li> </ul>

### ACTIVITY 2.3 - RISK MANAGEMENT OF IMPORTS AND EXPORTS VIA POST AND EXPRESS DELIVERY

Regulating customs procedures for imported and exported goods transacted via e-commerce are closely linked with the risk-management aspects of post and express delivery. Therefore, GDVC asked to put this activity on hold, pending the finalization of the decree on e-commerce (see activity 1.1). The Program agreed with GDVC as the situational assessment, which was the first task planned for this activity in FY2021, cannot be conducted when an important element of the legal framework is still pending.

Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Situational assessment, gap analysis and study of experiences of selected countries in risk management during customs clearance of imports and exports via post and express delivery with a focus on trans-border trade.</li> </ul>
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### ACTIVITY 2.4 – COMPLIANCE MEASUREMENT IN IMPORT AND EXPORT

In FY2021, the Program agreed to support, in collaboration with US Customs and Border Protection (CBP), the GDVC Risk Management (RM) Department to provide specialized training on trade compliance measurement. Due to the pandemic, the CBP trainer was unable to travel to Vietnam. The parties agreed to put the training courses on hold. In Q3, the Program and CBP proposed to GDVC to organize the courses online, but GDVC maintained that the trainings should be implemented in-person.

Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* In consideration of international travel restrictions due to the pandemic, the Program does not foresee any activity in the FY2022 Q1.</li> </ul>
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## ACTIVITY 2.5 – CUSTOMS VALUATION

No tasks under this activity for FY2021.

Priorities for FY2022 Q1	* Capacity building for the working group/core officials of GDVC RMD to enable effective implementation and management of the scheme/plan for Trade Compliance Measurement.
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## ACTIVITY 2.6 – E-PAYMENT TO CUSTOMS DUTIES AND OTHER FEES

No tasks under this activity for FY2021. For FY2022, GDVC plans to include the e-payment of customs duties and other fees in the procedures of the new customs IT system (see activity 1.1 bis).

## ACTIVITY 2.7 – BUSINESS PROCESS ANALYSIS (BPA) IN SELECTED PROVINCES (ON RISK MANAGEMENT, SPECIALIZED INSPECTION AND COORDINATED BORDER MANAGEMENT)

No tasks under this activity for FY2021. FY2022 tasks included in this activity will be carried out in the context of activity 3.6, consistent with technical assistance requests approved by the PMU.

## ACTIVITY 2.8 – FURTHER DEVELOP AND PROMOTE ADVANCE RULINGS CONCEPT, PROCESSES AND PROCEDURES

No tasks under this activity for FY2021. GDVC informed the Program that the International Trade Centre (ITC) provided technical support to develop and promote the advance rulings in Vietnam.

Priorities for FY2022 Q1	* GDVC may seek support in FY2022 to implement some of the ITC recommendations with a focus only on advance rulings on HS classification.
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## ACTIVITY 2.9 – SUPPORT INTRODUCTION OF PRE-ARRIVAL PROCESSING (PAP) FOR IMPORTS

The Program planned to conduct a review of the current legal framework to identify any gaps and to propose the necessary legislative changes. Pending finalization of Decree 08/2015 /ND-CP, which represents the key legal act regulating PAP, GDVC requested this activity be put on hold.

Priorities for FY2022 Q1	* Situational assessment of pre-arrival processing, including the review of related legal framework to complete relevant legal basis for PAP.
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## ACTIVITY 2.10 – SUPPORT IMPLEMENTATION OF THE ISTANBUL CONVENTION ON TEMPORARY ADMISSION OF GOODS

In June 2020, the Government issued Decree 64/2020/ND-CP on guidance for temporary admission in Vietnam under the Istanbul Convention, effective from July 30, 2020. The pandemic prevented activities to disseminate Decree 64, which were originally planned for FY2021. GDVC no longer considers this activity a priority for FY2022 with many stakeholders now aware of the decree and its provisions.

## ACTIVITY 2.11 – STUDY TOUR AND LEARNING EXPERIENCE ON MODERN CUSTOMS ADMINISTRATION

No tasks under this activity for FY2021. The Program and GDVC agreed not to implement this activity in FY2022 given the COVID-19 pandemic.

## ACTIVITY 2.12 – PREVENTION OF ORIGIN FRAUD AND ILLEGAL TRANSSHIPMENT

The substantial differences in preferential tariffs and non-preferential tariffs, aggravated by recent US-China trade tensions, have made Vietnam a high-risk country for origin fraud and illegal transshipment to evade tariffs and circumvent trade remedies. Increased incidences of origin fraud may result in severe consequences to *bona fide* importers and exporters and could negatively impact trade due to sanctions from importing countries. Vietnam is now faced with the dilemma of balancing intensified enforcement measures such as inspecting



### THE RISKS OF ORIGIN FRAUD & ILLEGAL TRANSSHIPMENT

Vietnam has entered 13 FTAs with three others under negotiation. Under these agreements, Vietnam and other countries have cut down the tariffs for most line items. The rules of origin play a key role in identifying which goods are eligible for preferential tariffs. The substantial differences in preferential tariffs and non-preferential tariffs have made Vietnam a high-risk country for origin fraud and illegal transshipment. GDVC identified 19 product groups with a high risk of origin fraud. Industries particularly susceptible to illegal transshipment include textiles, seafood, agriculture, honey, steel, iron, aluminum, and timber. Given the number of FTAs and Vietnam's increasing trade volume, increased scrutiny of Vietnamese exports is to be expected. Statistics from the MOIT showed that by the end of the first quarter of 2021, 203 cases of trade remedies were initiated to inspect Vietnamese exported goods by 21 countries/territories, with the number of cases in 2020 (39) 2.5 times higher than the total number of cases in 2019.



high-risk products and the need to facilitate the trade of compliant businesses.

In FY2021, the MOIT Trade Remedies Authority of Vietnam (TRAV) sought assistance from the Program to intensify efforts to counter origin fraud and illegal transshipment. The Program began assisting MOIT to undertake a feasibility study of a voluntary registration scheme for businesses exporting goods at high-risk of fraud and anti-dumping/countervailing duty evasion. The Program also supported MOIT TRAV in justifying the necessity of the scheme. The feasibility study focuses on international practices around similar exporter schemes introduced to counter trade remedy circumvention and evasion, the current situation in Vietnam, recommendations for the MOIT scheme, and key follow-up action items.

Under the approved FY2021 Work Plan, Activity 2.12: Prevention of origin fraud illegal transshipment, sub-activity 2.12.1 Exchange of data on origin, the Program will support MOIT efforts to improve effectiveness with origin fraud prevention, specifically research into a technical solution on exchange of C/O data between VCCI and MOIT. In Q3 of FY2021, the Program discussed with MOIT to confirm the activity plan and MOIT FTA withdrew its request, citing that the MOIT and VCCI had fulfilled the technical solution under the framework of the ASW. The MOIT FTA instead requested the Program’s support in communications and development of tools for information dissemination on C/O certification.

FY2021 Objectives	* To facilitate legal trade activity of compliant businesses operating in high-risk sectors by studying the feasibility for a voluntary registration program for businesses with exports having a high-risk of origin fraud, illegal transshipment, or anti-dumping/countervailing duty evasion.
FY2021 Results	* Completed desk research of international practices relating to similar schemes introduced to counter trade remedy circumvention and evasion. * Developed a feasibility study report outline and suggested approach to garner information from key stakeholders on existing situation in Vietnam. * Completed the draft feasibility study report with analysis and recommendations for the MOIT scheme and key follow-up action items. * Conference with MOIT to discuss the draft report and follow-up activities.
Priorities for FY2022 Q1	* Support MOIT consultations on the recommended scheme and finalization of the feasibility study. * Develop and implement follow-up activities including consultation and dissemination workshops. * Further support to amend the regulatory framework for the scheme.

**ACTIVITY 2.13 RISK MANAGEMENT AND NON-INTRUSIVE INSPECTION (SCANNER)**

GDVC informed the Program that the United Kingdom (UK) Border Force provided technical assistance in this area. Therefore, the Program did not implement this activity in FY2021 and will not have any tasks in FY2022.

**ACTIVITY 2.14 – INTEGRATED RISK MANAGEMENT + ACTIVITY 2.15 – RM MULTI-AGENCY TARGETING CENTER**

The implementation of these two activities depends on the finalization of the new SI Decree (see activity 1.3). As the GVN delayed approval of the SI Decree, these two activities are on hold.

Priorities for FY2022 Q1	* A feasibility study for an Integrated Multi-agency Risk Management Center after the GVN approves the new SI Decree (see activity 1.3). During the discussions for the preparation of the FY2022 workplan, the PMU and the Program agreed to merge these two activities into the new FY2022 activity: “Integrated Multi-agency Risk Management Center”.
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**ACTIVITY 2.16 – RESTRUCTURE RISK MANAGEMENT**

*No tasks under this activity for FY2021 and FY2022.*

**ACTIVITY 2.17 – CENTERS OF EXCELLENCE**

The implementation of this activity required a situational assessment by a pool of specialists in various customs operation areas to identify training needs, develop a training plan and to organize training courses. Due to the pandemic, GDVC was forced to delay the situational assessment, especially at the local level, as Customs officials had to prioritize customs operations to avoid further value chain disruption. Due to the

pandemic and a change of the GDVC priorities, the Program agreed with the PMU that this activity is no longer a priority.

### 2.3. COMPONENT 3

Under Component 3, the Program provides capacity building activities and training for Customs officials in various positions at central and provincial levels starting with the targeted provinces to meet the requirements of modern customs and coordinated border management. This component aims to ensure that professionalism and integrity at the provincial level is reinforced, and a risk management approach is used by all agencies and line ministries responsible for SI.

#### ACTIVITY 3.1 – CAPACITY ASSESSMENT AND TRAINING ON RISK MANAGEMENT

Risk analysis and targeting plays an important role in ensuring Vietnam Customs’ effectiveness in executing its mandates. In-depth training on risk management, specifically in customs risk analysis and targeting by modes of transport (air, sea, and land modes) helps improve Customs officials’ implementation capacity, thereby improving the effectiveness and efficiency of risk targeting and management. In 2020, the Program supported the issuance of *MOF Circular 81/2019/TT-BTC (Circular 81)* on risk management, which substantially modified the legal framework on risk management in customs operations. Activity 3.1 focuses on training Customs officials on the criteria developed in Circular 81 and in line with WCO standards, which elects risk management as a tool to facilitate cross-border trade.

In FY2021, the Program and GDVC Risk Management Department (RMD) developed a training series on risk targeting allocated to five sub-activities, categorized into cargo risks (3.1.1, 3.1.2, 3.1.5), passenger and vehicle risks (3.1.4), and business enterprise risks (3.1.3). Although the RMD preferred in-person training, the prolonged restrictions due to COVID-19 prevented the Program’s international expert from traveling to Vietnam. From May to August, the Program and RMD explored alternative training options but consequently, the Program’s international and local experts delivered the training virtually from September 27 to October 1 for 68 Customs officials (28 females and 40 males), with morning sessions for the international expert focusing on experience in risk targeting of land cargo, and afternoon sessions for the local expert focusing on in-depth knowledge in risk targeting of sea cargo.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* Improve capacity of Customs officials to identify targeted goods</li> <li>* Improve advanced skills for Customs officials working in risk management</li> <li>* Improve the capacity of analysis and targeting on business enterprises</li> <li>* Enhance capacity of Risk Management Customs officials and their risk control work across different types of vehicles, passengers, and cargo</li> </ul>
FY2021 Results	* Five-day virtual training course on cargo risk targeting (sub-activities 3.1.1 and 3.1.2).
Priorities for FY2022 Q1	* Training courses, for sub-activities 3.1.2 (land cargo risk continued) and 3.1.5 (air cargo)

#### ACTIVITY 3.2 – TRAINING AND DISSEMINATION OF INFORMATION ABOUT CUSTOMS VERIFICATION

Priorities for FY2022 Q1	* This activity will be implemented after the new SI Decree is officially issued, likely in Q2/2022
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#### ACTIVITY 3.3 – TRAINING CAPACITY OF VIETNAM CUSTOMS SCHOOL (VCS)

Training capacity for VCS plays a critical role in meeting the strategic target of GDVC to become a modern Customs administration. Throughout FY2021, the Program supported VCS in developing its e-learning capabilities, building upon previous support to establish an e-learning management system (eLMS) at the school. In December 2020, the Program delivered an extensive training series on e-learning course development and management. This was followed shortly thereafter with the official handover of the eLMS from the service provider to VCS in January 2021. From April to June 2021, the Program continued supporting VCS in development of eLMS by enhancing the user experience and user interface (UX/UI) and building out additional functionality on the platform. In addition, the Program solicited a marketing and communications firm to assist VCS in promoting its online offerings to the private sector. The Program and

VCS also began a needs assessment of the private sector to identify new course offerings aimed at the business community.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* Complete the eLMS (in technical terms)</li> <li>* Develop 10 digital asynchronous lectures</li> <li>Continue providing Training of Trainers (ToT)</li> <li>* Operate live synchronous classes smoothly and synchronously</li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* Continued development of the eLMS in technical terms: <ul style="list-style-type: none"> <li>o Updated user interface and user experience of the eLMS portal (60 percent completed)</li> <li>o Coding of updated design into the eLMS web page and mobile app</li> </ul> </li> <li>* Capacity building (training of trainers) to VCS to self-design online training courses</li> <li>* Develop several digital asynchronous lectures</li> <li>* Processing procurement of a local e-learning producer to produce 10 courses</li> <li>* Start of Private Sector Training Needs Assessment</li> <li>* Procurement of Communications and Marketing Advisory Services</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Cost estimation and review for upgraded examination functions proposed by CRMB</li> <li>* Finalization of 10 courses submitted by the e-learning producers.</li> <li>* In-person ToT</li> <li>* Finalization of private sector training needs assessment</li> <li>* Finalization of communications and marketing strategy for e-learning offerings</li> <li>* Development of VCS communications and marketing materials</li> </ul>

### ACTIVITY 3.4 – TRAINING AND CAPACITY BUILDING FOR CUSTOMS OFFICIALS

GVN restrictions on public gatherings and events to control the spread of COVID-19 affected training activities for Customs officials at the national, and especially the provincial level. Despite this, the Program continued to train Customs officials on key themes. In FY2021, the Program selected a local institution to deliver leadership and management development (LMD) skills training for Customs officials in the position of department director and higher. Despite this, the Program and GDVC Personnel and Organization Department (HRD) agreed to postpone the training until it can be held in-person due to the significant expense to be paid for the training institution. All three LMD training courses will be organized in-person to ensure value-for-money, quality, and other monitoring-evaluation requirements in Q1 of FY2022. The LMD will be based on the World Customs Organization (WCO) framework, GDVC’s Decision 223/QD-TCHQ 2019 on skill requirement, and the 2020/Y3 training need assessment.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* A competency and skill-based training program for officials in leadership positions</li> <li>* Support for human resources development of the entire customs</li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* Successfully selected a suitable training institution: local-based, international standard to deliver the training courses in-person</li> <li>* Achieved official response from GDVC in commitment and counterpart-funding</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Organize the in-person LMD training courses (three courses) when the COVID-19 situation is improved and allows public gathering</li> <li>* Discuss with USAID on having US CBP offer one virtual LMD training course on IAA basis</li> </ul>

### ACTIVITY 3.5 – ENHANCING CAPACITY OF IDENTIFYING HS CODES FOR EXPORT AND IMPORT GOODS

No tasks under this activity in FY2021 as it is included in the reserve list.

Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Develop List of Imports-Exports based on ASEAN Harmonized Tariff Nomenclature (AHTN) 2022</li> <li>* Develop Supplementary Explanatory Note (SEN) under the AHTN based on SEN2022</li> <li>* Organize focus working groups to develop AHTN List and SEN.</li> </ul>
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### ACTIVITY 3.6 – PROGRAM ACTIVITIES IN SELECTED PROVINCES

In FY2021, the Program developed a list of activities for local customs departments in the six selected provinces of Hanoi, Hai Phong, Quang Tri, Da Nang, Ho Chi Minh City and Dong Nai. The activities were developed based on the Program’s *Provincial Needs Assessment Survey and Report* conducted in FY2020 and verified at a planning workshop in May 2020. The activities were based on the actual needs of each province around raising awareness of the WTO TFA and capacity building to implement WTO TFA provisions and prevent origin fraud and illegal transshipment, as well as specific issues for each province. For example, specific support included development of an IT application for HCMC Customs to help traders track the cargo clearance procedure at Cat Lai Port and cross-border management training in Quang Tri for customs and local authorities. The Program also completed *A Better Port: Improving Trade Logistics in and Around Cat Lai Terminal in Ho Chi Minh City*, a report aimed to provide comprehensive insights into the long-lasting congestion issues at the country’s most important port with recommended solutions and opportunities for future investment from the United States and international investors.

#### CHALLENGES WITH PROVINCIAL ACTIVITIES

The Project Steering Committee (PSC) only approved the FY2021 Work Plan in December 2020, forcing the Program to revise previously agreed upon activity implementation timelines. GDVC prevents local customs authorities from discussing any Program activities until the PSC’s final approval of the work plan is officially issued and communicated to the local customs. This delay was compounded by local customs’ inability to organize activities prior to and during the 13<sup>th</sup> National Congress of the Communist Party, held in the last week of January due to political sensitivities. Following the Tet holidays, the Program once again had to delay provincial activities because of a renewed outbreak of COVID-19, which pre-occupied many local authorities. Due to these delays and challenges, the GDVC PMU requested the Program to revise the timeline of activities in the provinces and to modify the implementation methodology for these activities. Instead of organizing one-off training courses for each of the six provinces, the PMU would take the lead in planning and organizing trainings at a regional level, gathering the representatives of local customs in the north, center and south of Vietnam. The new model is applicable to the trainings included in the work plan and to all the future activities implemented in the provinces.

Due to the GVN’s restrictions to curb the spread of COVID-19, especially travel restrictions between localities, most of the provincial activities were not implemented. Despite this, the Program began the security assessment of Ho Chi Minh City Customs’ new IT application, one CBM training in Quang Tri and the Cat Lai Pre-Feasibility Study. Therefore, most activities in FY2021 will be carried over to FY2022 with minor adjustments to ensure feasibility. With the agreement of the PMU, the Program will divide provincial activities into two main groups: Group 1 and Group 2. Group 1 activities will focus on horizontal activities which will support local customs in all six provinces including raising awareness of FTAs and capacity building, prevention of origin fraud and illegal transshipment, and topics such as HS Code classification and customs valuation. Group 2 covers the specific needs of each province in combination with the training and capacity building strategy of GDVC, which has been developed and is in the process of implementation by VCS. In this manner, the PMU and Program have better aligned Group 2 activities to fit with GDVC’s existing strategies and frameworks.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* Raising awareness of the TFA and prevention of origin fraud and illegal transshipment at the selected provinces</li> <li>* Improve skills and build capacity for Customs officials on the clearance of goods and to minimize time and costs and improve border management and SI procedures</li> <li>* Assess performance, bottlenecks/constraints, dwell time and propose strategies and actions towards mitigating congestion through new or expanded facilities as well as IT-related solutions and private sector investment</li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* One training course on Coordinated Border Management in Quang Tri</li> <li>* <i>A Better Port: Improving Trade Logistics in and Around Cat Lai Terminal in Ho Chi Minh City</i></li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Two hybrid workshops on WTO TFA awareness and prevention of origin fraud, respectively for representatives of the local customs and for the private sector</li> <li>* Completion of the security assessment of HCMC Customs’ IT application</li> <li>* Final workshop to disseminate the findings and recommendations of Cat Lai Pre-Feasibility Study to relevant stakeholders and discuss the follow-up</li> <li>* Support activities in provinces where and when the COVID-19 situation is controlled</li> </ul>

## 2.4. COMPONENT 4

This component aims to enhance the engagement between the private and public sectors and to increase private sector involvement in policy and procedural reforms through more regular consultation and by using innovative opportunities to increase dialogue. This requires developing customs to business (C2B) partnerships, expanding the Authorized Economic Operators (AEO) program to more businesses, improving the businesses' compliance of businesses with customs procedures, encouraging the private sector to give constructive feedback on customs management activities propose policy and procedural reforms and contribute to trade facilitation and improving customs management efficiency.

### ACTIVITY 4.1 – DEVELOP THE AUTHORIZED ECONOMIC OPERATOR (AEO) PROGRAM

The Program completed an assessment of the AEO Program in Vietnam and identified opportunities for international Mutual Recognition Arrangements (MRAs) and domestic MRAs with specialized inspection agencies. The assessment also investigated the possible expansion of the current AEO program to include smaller businesses and those from sectors other than just importers and exporters (e.g., customs brokers); and assessed administrative procedural and financial benefits to be gained from being an AEO trader. The Program also supported the GDVC RM Department to develop a new voluntary compliance program to further facilitate trade for business. GDVC will implement this program in 2022.

FY2021 Objectives	<ul style="list-style-type: none"> <li>*AEO Program               <ul style="list-style-type: none"> <li>○ Expansion of Vietnam's AEO program</li> <li>○ Creation of more benefits for AEO companies</li> <li>○ AEO program in line with international guidelines and standards</li> </ul> </li> <li>* Voluntary Compliance Program for Traders               <ul style="list-style-type: none"> <li>○ A new voluntary compliance program to further facilitate trade for business</li> <li>○ Improved traders' compliance levels and aim at businesses' voluntary compliance</li> </ul> </li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* Research paper on international AEO programs – situational analysis, best practices, and gap analysis</li> <li>* Assessment of AEO program in Vietnam</li> <li>* Report on mutual recognition agreements international AEO programs and Vietnam state of preparedness for prospective partnerships</li> <li>* Consultative workshop on the draft Voluntary Compliance Program for Traders</li> <li>* Input to the Voluntary Compliance Program for Traders</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Supporting Voluntary Compliance Program - approval and launch</li> </ul>

### ACTIVITY 4.2 – IMPLEMENT THE COMPLIANCE MANAGEMENT PROGRAM

This activity was in the reserve list, and GDVC did not raise any specific request to prioritize its implementation in 2021.

Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* GDVC considers this activity as implemented through technical assistance provided in other activities of the Program, such as activities 4.1 and 4.3</li> </ul>
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### ACTIVITY 4.3 – CUSTOMS-BUSINESS CONSULTATION

In FY2021, the Program organized four Private Sector Trade Facilitation (PSTF) meetings, with three conducted in Hanoi. Notably, the Program held the first PSTF meeting in Ho Chi Minh City to deepen private sector engagement in the South. The meetings serve as an additional channel for the Program to share and solicit feedback from a targeted group of senior business executives on the Program's ongoing support and activities. Topics at the PSTF meetings included specialized inspection reforms, assessment of compliance costs in customs administrative procedures, and a rapid assessment of customs management issues faced by Export Processing Enterprises. The information gathered from the meetings has and will continue to inform the Program's engagement with private sector in developing effective measures and technical support to further customs reforms and trade facilitation efforts.

FY2021 Objectives	Improve the effectiveness of customs to business dialogue/consultation and partnership
FY2021 Results	<ul style="list-style-type: none"> <li>* Periodic quarterly consultations organized to develop partnership with European and US businesses in Vietnam</li> <li>* Organization of the third meeting of the private sector trade facilitation consultative group and the first meeting of the private sector consultative group in HCMC</li> <li>* Two PSTF meetings conducted in Sept 2021 in Hanoi and HCMC</li> </ul>
Priorities for FY2022 Q1	Organization of the next series of meetings of the private sector trade facilitation consultative group in Hanoi and HCMC in December 2021

#### ACTIVITY 4.4 – BUSINESS SATISFACTION SURVEY ON ADMINISTRATIVE PROCEDURES OF CUSTOMS (CUSTOMS SATISFACTION SURVEY [CSS])

This is the first year the Program supported the CSS from development of the survey to implementation and providing input into the report. The 2020 Report is the first edition to feature in-depth assessments of the performance of six prominent customs departments (i.e., Bac Ninh, Binh Duong, Dong Nai, Hai Phong, Hanoi, and Ho Chi Minh City). GDVC and VCCI aim to include all provincial customs departments in future editions to encourage improvements and reforms through competition, akin to the approach of the highly successful USAID-supported Provincial Competitiveness Index. The 2020 Report is also the first edition to include a special focus in assessing the status of the implementation of administrative procedures on specialized management and inspection. This will enable the GVN to identify measures to continue the comprehensive reform with various agencies, in line with GVN Resolution No.02.



Photo 3: Mockups of the English and Vietnamese versions of the CSS2020 report. [Full reports in both languages are available online.](#)

Following the [successful virtual launch of the CSS 2020 Report in July 2021](#) and joint efforts by the Program and VCCI to advocate for needed reforms as identified in the CSS 2020, the Office of the Government issued a Government Dispatch dated August 12, 2021. The Dispatch conveys a request from Deputy Prime Minister Pham Binh Minh (who is also the Chairman of Committee 1899) that relevant ministries study the CSS recommendations for further reforms and to improve the business enabling environment. The Program is working with the GDVC PMU in soliciting proposals from relevant ministries and identifying appropriate measures in line with the 2020 Report’s recommendations.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* Identification of businesses’ level of satisfaction with administrative procedures of customs and other agencies</li> <li>* Identification of constraints and drawbacks in need of improvement to increase satisfaction of businesses with administrative procedures of customs agencies for maximum trade facilitation</li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* Completion of the Business (Customs) Satisfaction Survey and CSS 2020 report</li> <li>* CSS 2020 Report finalized</li> <li>* Public and virtual launching workshop organized July 2021</li> <li>* Individual provincial assessment of the six prominent customs departments (i.e., Bac Ninh, Binh Duong, Dong Nai, Hai Phong, Hanoi, and Ho Chi Minh City) finalized</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Start of the National Single Window satisfaction survey.</li> <li>* Finalize of questionnaires and collection of data and relevant information</li> <li>* Kick-off discussion and adjustment in data collection method for next CSS</li> <li>* Finalization of online questionnaire and construction of sampling data</li> <li>* Follow-up of CSS 2020 Report with local customs: provincial level diagnostic meetings</li> </ul>

#### ACTIVITY 4.5 – CONNECT WITH THE BUSINESS COMMUNITY AND ENCOURAGE THE BUSINESSES IN IMPLEMENTATION OF COMMITMENTS UNDER THE AGREEMENT [WTO TFA]

This activity was in the reserve list, and GDVC did not raise any specific request its implementation in 2021.

Priorities for FY2022 Q1	* The Program and GDVC agreed to implement the tasks of this activity in the context of activity 4.8
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#### ACTIVITY 4.6 – DEVELOP CUSTOMS DEVELOPMENT STRATEGY (CDS) FOR 2021-2030

Since early 2020, the Program provided extensive technical assistance to GDVC in the crafting of the CDS 2021-2030. The Program initiated and implemented a sequence of sub-activities as follows:

- \* A review and evaluation of the *Customs Development Strategy to 2020 (Strategy 448)* to draw lessons and identify successes, as well as requirements and necessary conditions for maintaining such successes in the future.
- \* Completion of a comprehensive diagnostic study of GDVC and customs business processes with a focus on trade facilitation and areas for operational and organizational reform.
- \* Completion of a study on international trends in customs development as well as on the national and international impact of state management of customs from 2021 to 2030 as the basis for preparation of the CDS 2021-2030.
- \* Providing comments to the draft CDS 2021-2030.

GDVC completed its submission to the MOF, which is now in the process of gathering comments and input from other line ministries and agencies on the draft strategy. The MOF will submit the draft strategy to the Government after its submission of the *Finance Development Strategy 2021-2030*.

FY2021 Objectives	*Formulation of the Customs Development Strategy for 2021-2030 and align Customs Operations with international standards for a modern custom
FY2021 Results	*Diagnostic study reports on recommendations for the CDS 2021-2030 *Situational assessment of the gaps between Vietnam customs and world customs *Providing comments and inputs to the drafting of the strategy
Priorities for FY2022 Q1	*Support the finalization of the CDS 2021-2030 <ul style="list-style-type: none"> <li>o Consultations with relevant agencies and organizations</li> <li>o Launch workshop</li> <li>o Monitoring &amp; evaluation plan for action plans and implementation of the strategy</li> </ul> * Development and launch of the five-year action plan

#### ACTIVITY 4.7 – DISSEMINATE THE TARIFF COMMITMENTS IN FTAS

The complexity of tariff commitments under FTAs has led to many discrepancies in the liberalization rate (number of tariff lines), associated requirements for Certificates of Origin (C/O) as the condition for preferential tariff rates, and more importantly the low rate of preferential C/O and tariff utilization. In FY2021, the Program supported the MOF ICD to develop handbooks on the tariff reduction roadmap and FTA implementation guidelines. By September 2021, the Program and MOF finalized bilingual versions of the handbooks and began discussions on how best to circulate the handbooks to the business community.

FY2021 Objectives	* Increased awareness of Vietnam's import tariff policies in international economic integration, thereby reducing customs clearance time, and encouraging businesses to use preferential C/O to benefit from FTAs
FY2021 Results	*Completion of the bilingual Handbook on tariff reduction roadmap and FTA implementation guidelines for sectors *Completion of solicitation of feedback from the traders and business community on FTA implementation
Priorities for FY2022 Q1	*Workshop with traders and producers on tariffs and difficulties in FTA implementation *Analysis and reporting on the feedback from the traders and business community on FTA implementation

#### ACTIVITY 4.8 – TRADE FACILITATION RELATED COMMUNICATION, COORDINATION AND PRIVATE SECTOR ENGAGEMENT AT LOCAL LEVEL

Activities at the local level require significant support from the GDVC PMU and valid requests for technical assistance from the provinces. Nonetheless, the Program made headway in two key areas at the local level: engaging the private sector and setting up a mechanism to work directly with local authorities.

**Local Trade Facilitation Mechanisms:** Throughout FY2021, the Program endeavored to establish local trade facilitation mechanisms or Provincial Trade Facilitation Committees (PTFC), which are composed of local

authorities and representatives of the business community in the six selected provinces. The establishment of a PTFC enables the Program to work directly with local authorities on specific issues and technical assistance needs and will help in improving coordination with GVN units at the central level. PTFCs also give businesses a platform to work directly with local authorities on trade facilitation issues. Coordination between the central and local level with strong private sector engagement is essential to effectively implement reforms to reduce the time and cost of trade.



Photo 4: Local Customs departments with six selected provinces in red and three established PTFCs.

After a series of introductory meetings on the PTFC concept with local authorities and representatives of the business communities in the six selected provinces, three provinces set up PTFCs in FY2021. Dong Nai became the first to set up a PTFC in November 2020 while Quang Tri became the first to hold a technical meeting of its PTFC in March 2021. Da Nang established its PTFC in May 2021. In Ho Chi Minh City, instead of establishing a separate local TF mechanism, the Program and Department of Industry and Trade (DOIT) agreed to organize regular dialogue with the business community to improve import-export procedures.

Though the PTFCs in three provinces were established, the Program was unable to deliver planned technical assistance for each PTFC due to local authorities' focus on and travel restrictions related to COVID-19. In addition, the GDVC PMU reviewed each proposal for assistance from the provinces extensively, which led to delays. The Program also faced difficulties in convincing the local authorities of larger cities, Hanoi, Ho Chi Minh City and Hai Phong due to competing priorities of the People's Committees of each province. In Year 4, the Program aims to deliver the support requested by the three PTFCs and Ho Chi Minh City DOIT and will investigate how to better engage the authorities of Hanoi and Hai Phong.

**Engaging the Local Business Community:** The COVID-19 pandemic greatly impacted the business community in all the six selected provinces. Throughout FY2021, the Program coordinated with VCCI chapters in Da Nang and Ho Chi Minh City to identify opportunities to collaborate. In the latter half of FY2021, as the pandemic worsened in Ho Chi Minh City, the Program focused its efforts on completing preliminary work with VCCI in Da Nang. The Program and VCCI piloted a survey of businesses in Da Nang and nearby provinces to assess the knowledge and training needs of the business community to take advantage of FTAs and Vietnam's implementation of the WTO TFA. The subsequent report contains useful recommendations for the Program's support to the business community in Da Nang for the next two years. The Program is also considering replicating the survey with other VCCI chapters. In Year 4, the Program will prioritize implementation of technical assistance for the business community based on the recommendations of the Program and VCCI's needs assessment.

FY2021 Objectives	<ul style="list-style-type: none"> <li>* Establishment of provincial trade facilitation mechanism</li> <li>* Increased awareness of the TFA at local level</li> </ul>
FY2021 Results	<ul style="list-style-type: none"> <li>* Establishment of the Dong Nai PTFC</li> <li>* Establishment and first technical meeting of the Quang Tri PTFC</li> <li>* Introduction of the PTFC concept to provincial authorities in six selected provinces</li> <li>* Survey and Report on the Needs Assessment on WTO TFA awareness and capacity building of the private sector in Da Nang and central provinces</li> </ul>
Priorities for FY2022 Q1	<ul style="list-style-type: none"> <li>* Workshop to verify the findings and recommendations of the needs assessment in Da Nang</li> <li>* Assistance to the established PTFCs for work plan/activity development</li> <li>* Coordination with the GDVC PMU on provincial activities with the PTFC</li> <li>* Training on TFA and raising awareness of PTFCs</li> <li>* Implementation of support to established local TF Mechanisms</li> <li>* Securing PMU approval on local assistance requests and in carrying out more private sector focused activities in the provinces</li> </ul>



## ACTIVITY 4.9 – VIETNAM TRADE INFORMATION PORTAL (VTIP)

This activity was in the reserve list for FY2021. The Program does not anticipate any further tasks under this activity due to overlap with the new Vietnam National Trade Repository (VNTR) managed by MOIT and funded by the United Kingdom Foreign and Commonwealth Development Office.

## 2.5. CROSS-CUTTING ISSUES

### COLLABORATION, LEARNING, AND ADAPTING (CLA)

In FY2021, the Program continued to integrate Collaborating, Learning, and Adapting (CLA) practices to improve its performance and effectiveness through the Pause & Reflect workshops and internal technical and management meetings. The first internal Pause & Reflect workshop in January 2021 aimed to identify the Program's FY2021 priorities and available resources, implementation challenges, the effectiveness of technical assistance and improved internal coordination. Lessons learned from this event included the importance of tracking and documenting impact, and the necessity to plan activities in line with available resources, especially with the ambitious workplan and unpredictable effects of the COVID-19 pandemic. The second Pause & Reflect was held online in May 2021 to revisit the Program's results framework under the USAID/Vietnam Country Development Cooperation Strategy 2020-2025, the Program's achievements in the first half of the year, and a concrete plan for the second half of the year.

### STRATEGIC COMMUNICATIONS

In FY2021, the Program focused on refining its strategic, proactive communication approaches as well as sharpening its adaptiveness and responsiveness to situational upheavals. Specifically, the Program identified key areas where strategic communications can amplify the Program's impact to target audiences as well as where communications can foster positive changes at multiple levels through building trust, sharing knowledge and skills. Specifically, the Program developed a new set of communications tools and formats such as featured videos, [content-rich newsletters \(The Gazette\)](#), refreshed weekly reports and other materials produced to the highest standards. Furthermore, the Program revised the formats/reformed the templates of key reports (i.e., annual, quarterly, and technical reports) and presented concept notes and communication plans for specific events. Notably, the Program reinforced its proactive media engagement by partnering with a strategic communications and advocacy firm. Over the course of the year the Program also strengthened its live streaming/virtual management capability to enable remote participation at Program events. Lastly, the Program continued its technical support to stakeholders by providing marketing advisory services to VCS' and consultancy to the GDVC RMD on consolidating its communication materials.

### TRADE CAPACITY BUILDING

Apart from the Program's regular training and capacity building efforts, the Program also assisted in coordinating two virtual training sessions delivered by U.S. Customs and Border Protection (CBP).

- \* The first training was organized in collaboration with the U.S. Department of Agriculture (USDA) on April 24, where CBP and USDA trained officials from the GDVC CCS, CRMB, ICD, and provincial customs. Presenters from U.S. CBP and USDA provided comprehensive information and shared specific experiences around phytosanitary issue management, import permit requirements, cargo inspection processes, and commodity preclearance programs, especially the Vietnam preclearance program on dragon fruit, rambutan, lychee, longan, mango, and star apple. At the end of the training, officials from USAID Vietnam and the USDA Animal and Plant Health Inspection Service (APHIS) attaché in Hanoi elaborated on the pre-clearance program in Vietnam, which includes over 600 producers, 31 packing houses, one irradiation facility, 59 Shippers, and 72 U.S. Consignees. GDVC expressed interest in holding future in-person knowledge sharing sessions with USAID and USDA-APHIS.



- \* The second virtual workshop for U.S. CBP and GDVC was on August 11-13, 2021, with training sessions to GDVC's Post-Clearance Audit (PCA) Department, Import-Export Tax Department, CSS Department, and provincial customs departments. Discussions during the half-day workshops covered special cases - good examples of illegal transshipment or origin fraud, tax evasion via customs valuation and other issues, such as bicycle components and cashews. The PCA department expressed the interest in receiving information from CBP to identify such high-risk commodities, especially those being illegally transshipped via Vietnam to other countries who are not signatories to FTAs that Vietnam is a part of. On their end, CBP shared experiences in identifying potential cases of fraud by considering all links in the supply chain, the source and transshipment countries, merchandise subject to antidumping and countervailing duties and other red flags. CBP also presented on its Transshipment Checklist, by using Vietnam as an example of a transit country involved in origin fraud for hardwood-plywood. In the long term, increased cooperation between CBP and GDVC in post-clearance audit is essential to jointly conduct audits and to learn from each agency's experiences, thereby ensuring free, fair, and compliant trade between the United States and Vietnam.

### INTEGRITY (ANTI-CORRUPTION)

In September 2021, the Program collaborated with Towards Transparency (the local organization of Transparency International) and VCS to train Customs officials on business integrity, its importance, and global practices to combat corruption. The Program trained 100 Customs officials through an interactive virtual presentation and Q&A sessions.

### FINANCIAL SELF-RELIANCE

- \* In FY2021, apart from the Program's funding to produce 10 digital courses for VCS, GDVC provided counterpart funding for a further six courses while VCS committed to self-financing three more courses of their own. In total, 19 digital courses are being produced to fill in the eLMS on a cost-share basis. E-learning is a crucial element in the digital transformation efforts by GDVC towards SMART customs, and the Journey to Self-Reliance of VCS as an independent training institution for Vietnamese customs and businesses, and as a Regional Training Center (RTC).
- \* In Q3, the Program and GDVC finalized discussions on the three-day LMD skills training for 45 Customs officials in leadership positions. GDVC HRD confirmed counterpart funding as an effort to self-reliance. In the future, counterpart funding will be encouraged to cover more training-related expenses. The Program and HRD expect the LMD training to have a clear impact on each of the participants and the effectiveness of their departments. The Program-supported training will be the first instance of GDVC officials receiving tailored leadership and management courses from a local private higher education institution following international standards. Further, the training materials and curricula supported by the Program will be adapted by the HRD for future GDVC professional development courses.

### GENDER AND SOCIAL INCLUSION

The Program continued to integrate gender across activities by ensuring fair representation of men and women in Program events as speakers/participants as well as in communications materials, especially in visuals/photos. The Program also delivered gender and social inclusion training to 100 Customs officials (48 women and 52 men) in Q3 as a standalone capacity building activity.

### PRIVATE SECTOR ENGAGEMENT

Throughout FY2021, the Program supported GDVC in Customs-Business dialogue including consultative workshops on the SI scheme, surveys, and key informant interviews. Beyond regular dialogue, the Program held four PSTF group meetings and undertook an extensive study of issues for EPEs. In addition, the Program reached an agreement with VCCI on the need to deepen the private sector's role in the NTFC and began discussions with the Vietnam Business Forum to identify areas for collaboration, specifically on joint advocacy efforts. The Program also regularly liaised with the American Chamber of Commerce and gave a presentation to the Hanoi chapter's Supply Chain & Manufacturing Committee on the new SI scheme.

### 3. COLLABORATION AND COORDINATION

Due to the ever-changing social distancing and the travel restrictions imposed by the GVN throughout FY2021, the Program mainly coordinated with other USAID and donor projects online:

#### 3.1. OTHER USAID PROJECTS

- ◇ The Program maintains regular correspondence with several USAID-funded projects, such as the ASEAN-USAID Inclusive Growth in ASEAN through Innovation, Trade and E-Commerce (ASEAN-USAID IGNITE), U.S. Support for Economic Growth in Asia (US-SEGA) and USAID LinkSME.
- ◇ In Q2, the Program hosted USAID/Vietnam Economic Growth and Governance Office implementing partners' meeting.
- ◇ In April, the Program met with the Global Alliance on Trade Facilitation project in Vietnam to exchange information about the respective objectives of the two programs and promote coordination to avoid overlap.
- ◇ Earlier in the year, the Program carried out several meetings with USAID INVEST to introduce the recommendations provided by the report on *Pre-Feasibility Study on Cat Lai Port Decongestion Plan* and discuss next steps.

#### 3.2. OTHER DONOR AND GOVERNMENT OF VIETNAM ACTIVITIES

- ◇ The Program held regular meetings with the Vietnam National Trade Repository team, a project supported by the UK Foreign and Commonwealth Development Office and implemented in cooperation with MOIT.
- ◇ The Program hosted a meeting with the members of AmCham Supply Chain & Manufacturing Committee in Q2. During the meeting, the Program introduced the main features of the new Scheme on reforming specialized inspection while representatives of AmCham shared their experiences and difficulties in complying with the SI procedures.
- ◇ The Chief of Party discussed the main difficulties in promoting reforms in specialized inspection in Vietnam on a February 12 call with representatives of the International Trade Centre (ITC). The ITC is implementing activity to promote the capacity of GDVC in advance rulings, processes, and procedures.
- ◇ The Program and Vietnam Business Forum began discussions in Q3 and Q4 on joint advocacy efforts.
- ◇ In Q1, the Program participated in three webinars by the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) on trade information portals, artificial intelligence, and new technologies for trade.
- ◇ In December 2020, the Program also participated in an online roundtable with the UK-ASEAN Business Council on the UK-Vietnam Free Trade Agreement and one with EuroCham on the EU-Vietnam Free Trade Agreement.
- ◇ The Program attended the annual private sector dialogue organized by the MOF in November 2020.
- ◇ The Program met with the EU-funded ARISE+ project in December to discuss activities and avoid duplication of efforts.

## 4. RISKS, ASSUMPTIONS AND MITIGATING MEASURES

After three years of implementation, the Program has strengthened its relationship with GDVC while continuing to conduct activities in a radically different context due to COVID-19. Despite the change in government in May 2021, the GVN continues to implement its commitments under the WTO TFA and other agreements and improve the enabling environment for trade while addressing economic recovery from the pandemic. As such and based on lessons learned, the Program has updated its risks and assumptions for implementation and refined the mitigating measures for each risk.

Assumptions	Risks	Mitigating Measures
A1: GDVC and GVN engagement is positive at the senior level and institutional structure supports behavioral change, with government stakeholders having sufficient will and means to make organizational changes; leadership shows willingness to support reform by making staff available to work with the technical team and for training; sufficient resources are allocated to support the needs of the activities.	R1.1: There may be resistance to change at lower levels within an organization.	M1.1: Perception/ satisfaction surveys will be conducted and shared with the GDVC to show levels of service improvement. M1.1.1: Leaders at all levels – change champions - will be encouraged to actively ‘sell’ new ideas to colleagues to generate positivity towards change.
	R1.2: Leaders may change and have differing priorities from their predecessors.	M1.2: Dialogue with leaders in Government is maintained to provide early warning of potential personnel/ policy shifts.
	R1.3: An organization’s leaders may lack sufficient political capital to effectively implement change.	M1.3: Support for change is secured from multiple sources, such as the private sector and international organizations.
A2: Stakeholders will understand concepts applied in more developed economies and be keen to embrace them.	R2: Loss of ‘buy in’ from stakeholders who remain unaware of best practices and international standards.	M2.1: Using working groups, the Program will run workshops on identified specific technical matters.
		M2.2: Develop and implement a comprehensive and tailored communications strategy considering perspectives from a range of stakeholders and interested parties.
		M2.3: Continued development of private sector engagement forums with State actors to improve communications.
A3: Government stakeholder officials have a good understanding of their function and role.	R3: Government rotation policy results in staff finding themselves in new positions they may lack experience or training for.	M3: The Program will continue its training of trainer’s activities to ensure that Customs and other GVN officials can continuously train their peers.
A4: Donors will effectively coordinate activities to avoid overlap and to reinforce each other’s programs for the benefit of Vietnam.	R4: There may be deficiencies in communications and donors may compete to work in the same space, resulting in mixed messaging to GVN agencies.	M4: With the support of USAID, the Program will maintain communications with other donor projects working in similar sectoral spaces.
A5: The GVN and GDVC will promptly approve and promulgate new legislation, rules, guidance supporting the activities of the Program.	R5: Delays in introducing supporting legislation, rules and guidance may delay to implementation of Program activities.	The Program will closely monitor and support the progress of legislation, rules, and guidance through procedural steps.
A6: GDVC and GVN agencies will recognize and adhere to the scope of the Program.	R6: Partner agencies (especially in the provinces) may request additional activities to be undertaken by the Program to support their agendas.	M6: The Program will work closely with the PMU to establish and implement the agreed workplan.
A7: Entry requirements will be relaxed, and international consultants will be deployed within reasonable timeframes.	R7: Entry requirements remain burdensome and result in lengthy deployment delays.	M7: The Program will initiate deployment processes as early as possible and identify opportunities for ‘home working’ during any delays.
A8: The COVID-19 pandemic will dissipate and a return to more normal working practices will take place.	R8: The COVID-19 pandemic continues to result in regular lockdowns/ reduced working capacities/ reduced opportunities for face-to-face training.	M8: The Program will build on lessons learned and successes in online stakeholder engagement/ training to maintain relations and forward progress.

## 5. PROGRESS REPORT ON INDICATORS

### 5.1. ACTIVITY MONITORING, EVALUATION AND LEARNING

In FY2021, the Monitoring, Evaluation, and Learning (MEL) plan was revised to include 17 indicators that focus more on monitoring the Program's impact. The Program also tracked the immediate impact of activities through organizational impact surveys for technical assistance and post-event evaluation surveys for training and dissemination workshops. The Program also reviewed the surveys to improve the quality and effectiveness of technical assistance.

This year, USAID/Vietnam through the Learns activity began a mid-term evaluation of the Program. The evaluation will run from July to December 2021. The purpose of the evaluation is to provide an independent and in-depth assessment of the overall progress of the Program and to examine the activity's design and progress in addressing the GVN's priorities and private sector's needs to expedite cross-border trade and enhance trade facilitation between Vietnam and other countries. The midterm evaluation also identifies lessons learned for the improvement of implementation and future program design in the sector. The Program fully cooperated with USAID/Vietnam and USAID Learns to provide access to all partners, pertinent information, and activity data.

### 5.2. ACTIVITY RESULTS

This section provides an overview of the Program's annual results against its purpose, intermediate results (IRs) and key performance indicators.



#### **PURPOSE: CROSS-BORDER TRADE EXPEDITED AND VIETNAM'S ABILITY TO IMPLEMENT WTO TFA COMMITMENTS ENABLED**

In FY2021, Vietnam maintained trade growth with an increase of 25 percent in comparison with FY2020 or an overall trade balance in FY2021 of 1.3 billion USD. While Vietnam was one of the few countries that continued to grow during the severe COVID-19 outbreak, the annual growth rate of exports and imports of goods and services slowed down in 2020 to 5 percent and 3.3 percent, respectively. Other similar economies such as the Philippines and Malaysia suffered a negative growth rate of from -8 to -21.6% (World Bank 2020, see Figure A.1).

Thus, it was crucial that the Program continued to support Vietnam's ability to implement 18 WTO TFA provisions, or 90 percent of the target in FY2021 through the Program's core trade facilitation activities such as strengthening the role of the NTFC and setting up of PTFCs in six targeted provinces, the adoption and implementation of a risk-based approach to customs and specialized inspection institutions, customs digitalization, and private sector engagement as shown in *annex A.1*.

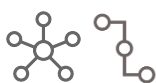


#### **IR1: POLICIES AND PROCEDURES ACROSS GVN UNITS HARMONIZED AND SIMPLIFIED**

Since FY2019, the Program supported development or revision of 24 legal instruments, including: SI related procedures (13), risk management (1), customs procedures (4), National Single Window (1), e-commerce (2), improvement of Vietnam's business environment and national competitiveness (2), the Istanbul Convention on Temporary Admission (1), tax for imports and exports (1). Of the total, 18 (or 75 percent) have been approved and implemented while 6 are still proposed for the adoption.

In FY2021, the Program supported development of 10 legal instruments, or 83 percent of its annual target, building upon trade facilitation legal reform efforts in past years. Notable achievements include the draft decree regulating state inspection of quality and food safety for imported goods and the draft circular regulating goods with HS codes subject to quality inspection and food safety inspections to replace the

Circular 15/2021/TT-BNNPTNT. Other achievements include the assessment of *Specialized inspection reform over last six years (2015-2020) and orientation of reform for the period of 2021-2025* and development of a new Resolution 02/NQ-CP on improvement of Vietnam’s business environment and national competitiveness, the implementation of risk-based approach in specialized inspection in customs and line ministries, and the draft decree on e-commerce management in Vietnam (see Table A.2).



## **IR 2 & 3: NATIONAL AND PROVINCIAL COORDINATION AND IMPLEMENTATION STRENGTHENED**

Since FY2019, trade facilitation-related institutions at national and provincial levels have been supported to strengthen the coordination and implementation through the studies to promote effective implementation of the WTO TFA, reform of the NTFC, the establishment of effective trade facilitation mechanisms at the provincial level and training for provincial customs officials. In FY2021, at the national level, the Program worked closely with VCCI to strengthen the role of private sector in the NTFC. At the provincial level, three (3) out of six (6) targeted provinces set up PTFCs, including Dong Nai, Quang Tri and Da Nang. In HCMC, the Program assisted the local customs assess and enhance the security of IT application to improve the connection and interaction among customs, businesses, and other agencies.

The Program also trained 750 Customs officials across the country on key topics such as on *Circular 81/2019/TT-BTC* on risk management, risk management in customs, rules of origins under new FTAs, customs border management, post release audit, anti-corruption, and gender social inclusion. In FY2021, the Program delivered 11,148 trade-related training hours, achieving 186 percent of its annual target. Besides, VCS with the Program’s support is transforming to become a modern customs training center with e-learning programs. After the Program’s support in Y1, the World Customs Organization (WCO) CliKC! courses are now a part of VCS’s formal education programs while the eLMS continues to be developed to provide training for both customs officials and businesses.

The deep analysis of the six targeted provincial customs in *Customs Satisfaction Survey 2020* revealed improved performance in the delivery of local customs’ service in: information provision and support, the level of ease of customs procedures or compliance with the central policies. This is attributed to GDVC efforts to improve customs procedures and build the capacity of local customs in previous years with the Program’s support (see Figure A.7).



## **IR 4: PARTNERSHIPS BETWEEN CUSTOMS AND THE PRIVATE SECTOR ENHANCED**

The Program engaged the private sector across all activities through consultative and dissemination workshops on newly developed or revised legal acts, surveys, and meetings of the Program’s private sector consultative group. In FY2021, the Program continued to work with VCCI and local business associations at the national level to support the private sector’s role and representation at NTFC and conduct the *Customs Satisfaction Survey 2020*. The Program also actively engaged with international business associations and enterprises through periodic consultative group meetings in Hanoi and HCMC.

Notably, the Program conducted a rapid assessment of issues related to customs management of procedures for EPEs, which has been a critical issue for businesses. The Program also supported GDVC to organize eight dissemination workshops on the approved legal acts and consultative workshops for the draft ones, which was attended by about 1,200 representatives from the private sector. The in-kind contribution (manpower and time) from the private sector for these activities was USD 39,304, or 218 percent of the annual target. The Program’s post-event evaluation of the workshops showed positive feedback for all aspects of logistics preparation, materials, speakers, and the participants’ learning and applicability of the knowledge provided (see Figure A.6).

## ANNEX A.1. MONITORING, EVALUATION, AND LEARNING TABLES AND FIGURES

**TABLE A.1: NUMBER OF WTO TFA PROVISIONS SUPPORTED THROUGH THE PROGRAM ACTIVITIES IN Q1, 2 & 3, FY2021.**

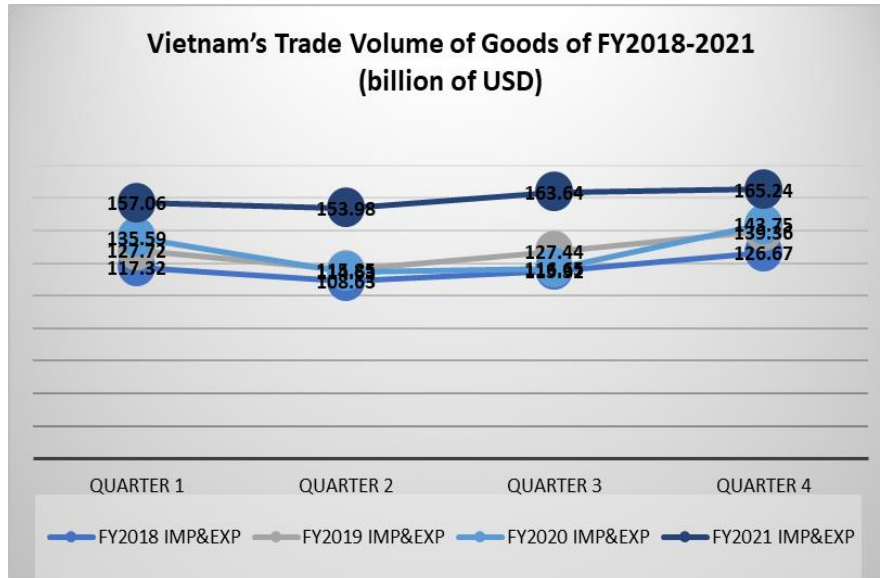
#	Article	Category	Definite date for implementation	Select Program activities
1	Article 1.1 – Publication	B	December 2021	<ul style="list-style-type: none"> <li>• Publication of Program-supported legal instruments on the e-Government Portal, relevant GVN’s ministries of MOLISA, MOH, MOIT and GDVC’s websites</li> <li>• Publication of Handbook on Utilizing the Preferential Tariff in FTAs</li> </ul>
2	Article 1.2 – Information Available Through Internet	B	December 2021	<ul style="list-style-type: none"> <li>• Publication of Program-supported legal instruments on the e-Government Portal, relevant GVN’s ministries of MOLISA, MOH, MOIT and GDVC’s websites</li> </ul>
3	Article 2.2 – Consultations	A	Full compliance	<ul style="list-style-type: none"> <li>• Consultation workshops on revision of: <ul style="list-style-type: none"> <li>○ Decree 08/2015/ND-CP</li> <li>○ Decree 59/2018/ND-CP</li> <li>○ Official Dispatch No. 2765/TCHQ-GSQL of GDVC</li> <li>○ Draft e-commerce decree</li> <li>○ Draft SI decree</li> </ul> </li> <li>• Consultation workshops on Draft SI Decree on the management mechanism, methods and procedures for state quality and food safety inspection for imported goods</li> <li>• Customs Satisfaction Survey 2020</li> <li>• Customs – Business Consultation: Rapid assessment of EPE and IRC issues</li> </ul>
4 5 6 7	Article 5.1 - Notification for Enhanced Controls or Inspections Article 5.2 – Detention Article 5.3 – Test Procedures Article 8 – Border Agency Cooperation	B	December 2021	<ul style="list-style-type: none"> <li>• Draft SI Decree: (i) Regulatory impact assessment for administrative procedures to calculate compliance costs under the draft SI decree; (ii) legal (compatibility) review report</li> <li>• Assessment of specialized inspection reform over the last 6 years (2015-2020)</li> <li>• SI reform with the Ministry of Industry and Trade (MOIT) on three key topics of (i) energy efficiency inspection; (ii) specialized management (permits); and (iii) SI under MOIT management</li> <li>• Draft Circular replacing Circular 15/2021/TT-BNNPTNT on HS codes; goods subject to quality inspection, food safety or quarantine; time of inspection; (pre- or post-clearance inspection); standards and technical regulations.</li> </ul>

8	Article 7.4- Risk Management	C	December 2024	<ul style="list-style-type: none"> <li>• Draft SI Decree that applies RM methodology for inspection of goods (w/ GDVC, MOF, MARD)</li> <li>• Development of AEO Program (w/ MOIT)</li> </ul>
9	Article 7.7 - Trade Facilitation Measures for Authorized Operators	B	December 2023	<ul style="list-style-type: none"> <li>• Development of AEO Program: <ul style="list-style-type: none"> <li>- Field survey on AEO program</li> <li>- Research paper: International Authorized Economic Operator (AEO) Programs – Situational Analysis, Best Practices, Gap Analysis</li> <li>- Report on mutual recognition agreements: international AEO programs and Vietnam state of preparedness for prospective partnerships</li> </ul> </li> <li>• Draft Voluntary Compliance Trader Program</li> </ul>
10	Article 7.9 - Perishable Goods	B	December 2022	<ul style="list-style-type: none"> <li>• Draft SI Decree</li> </ul>
11	Article 10.1 - Formalities and Documentation Requirements	A	Full compliance	<p>Workshops where Customs officials reviewed &amp; revised:</p> <ul style="list-style-type: none"> <li>○ Decree 08/2015/ND-CP</li> <li>○ Decree 59/2018/ND-CP</li> <li>○ Official Dispatch No. 2765/TCHQ-GSQL of GDVC</li> <li>○ Draft Circular replacing Circular 15/2021/TT-BNNPTNT</li> <li>○ Draft SI Decree</li> </ul>
12	Article 10.3 - Use of International Standards	B	December 2021	<ul style="list-style-type: none"> <li>• Specialized Inspection Legal Review 4 – issuance of list of goods with HS codes for goods under management of MOLISA and MOH</li> <li>• Draft e-commerce decree</li> </ul>
13	Article 10.4 – Single Window	C	December 2021	<ul style="list-style-type: none"> <li>• National Single Window model/assessment and Decree on sharing of information</li> <li>• Review, analysis, assessment of the Business Model &amp; Business Requirements for Customs ICT Development</li> </ul>
14	Article 10.7 - Common Border Procedures and Uniform Documentation Requirements	A	Full compliance	<ul style="list-style-type: none"> <li>• Coordinated Border Management Training in Quang Tri</li> <li>• Cat Lai congestion assessment report</li> <li>• Review, analysis, assessment of the Business Model &amp; Business Requirements for Customs ICT Development</li> </ul>
15	Article 12 – Customs Cooperation	B	December 2022	<ul style="list-style-type: none"> <li>• Development of AEO Program</li> <li>• Dissemination workshops on update provisions of ROO under the new FTAs</li> <li>• Coordinated Border Management Training in Quang Tri</li> </ul>
16	Article 23.1 - Committee on Trade Facilitation	Notified	Full compliance	<ul style="list-style-type: none"> <li>• NTFC Assessment Report</li> </ul>

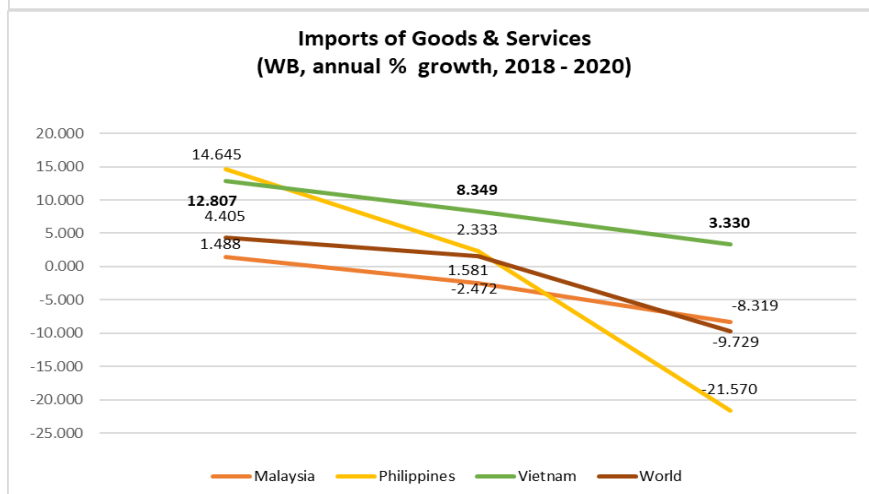
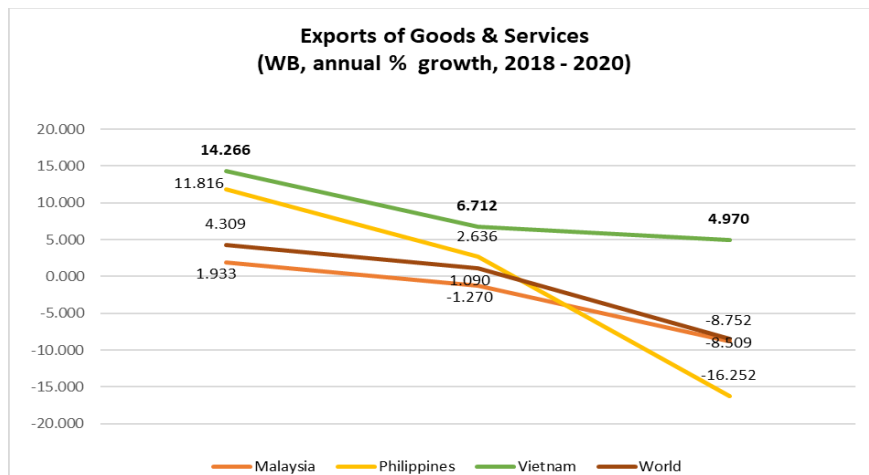


				<ul style="list-style-type: none"> <li>• Feasibility Study on the setup of the local trade facilitation mechanisms in the six selected provinces</li> <li>• 3 PTFC were set up in provinces of Dong Nai, Quang Tri and Da Nang</li> </ul>
17	Article 7.1 – Pre-Arrival Processing	C	December 2023	<ul style="list-style-type: none"> <li>• Pre-feasibility report on Cat Lai Scheme, capacity building and training, recommendations on IT support system which are to be identified at the conclusion of the study</li> <li>• Development of an IT app for facilitating customs procedure at Cat Lai port</li> </ul>
18	Article 7.5 – Post Clearance Audit	B	December 2021	<ul style="list-style-type: none"> <li>• Virtual Workshop 'Introduction to Customs Post-Release Audits' by U.S. Customs and Border Protection (CBP) and the General Department of Vietnam Customs on post-clearance audit (PCA)</li> </ul>

**FIGURE A.1: VIETNAM'S TRADE VOLUME OF GOODS OF FY2018-2021 (IN BILLIONS OF US\$)**



Source: General Department of Vietnam Customs, October 2021

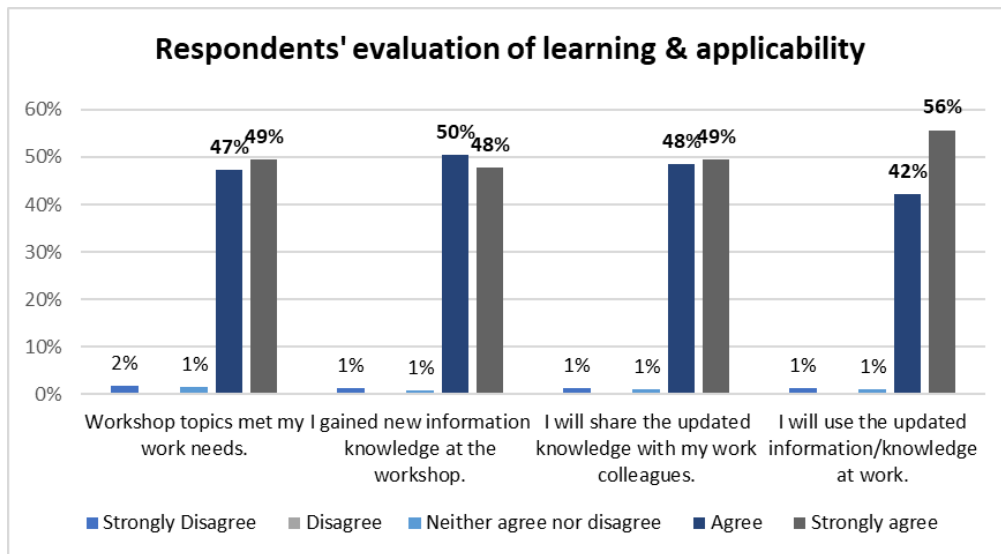


Source: World Bank Global Development Data, September 2021

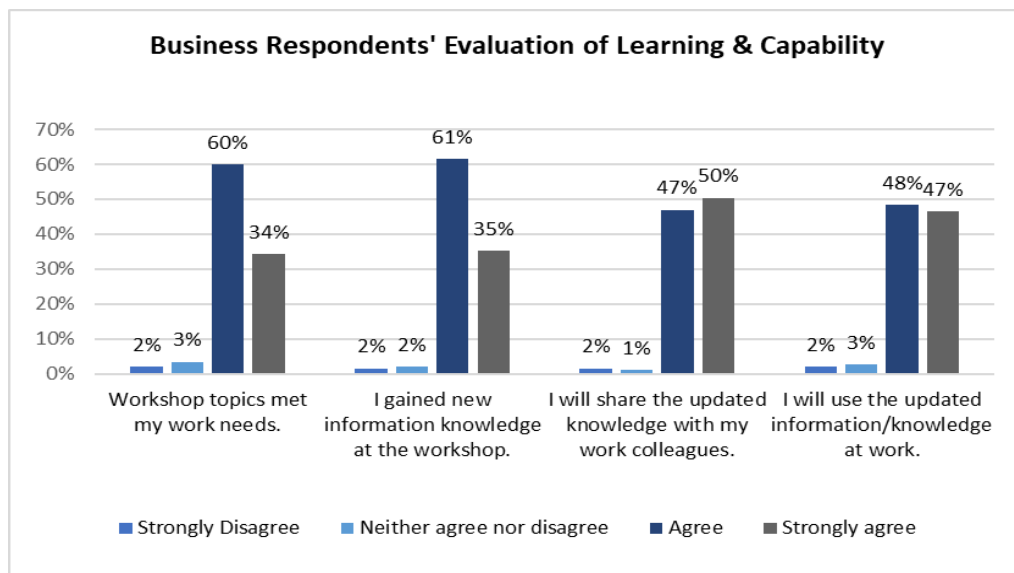
**TABLE A.2: LEGAL INSTRUMENTS SUPPORTED THROUGH PROGRAM ACTIVITIES IN Q1, 2 & 3, FY2021.**

#	Legal Instruments supported with USG assistance	Thematic Area	Status
1	Decree #18/2021/ND-CP dated 11 Mar 2021 revising Decree 134/2016/ND-CP dated 01 Sept 2016	Import and export tax	Implemented
2	Draft Decree with amendments to Decree #08/2015/ND-CP and #59/2018/ND-CP	Customs law on customs procedures, examination, and supervision and control procedures	Proposed
3	Draft Decision replacing Official Dispatch No. 2765/TCHQ-GSQ	Customs procedure codes in VNACCS system	Implemented (Decision #1357/QĐ-TCHQ dated 18/5/2021)
4	Draft Circular replacing Circular 15/2021/TT-BNNPTNT	Draft Circular regulates goods with HS codes subject to quality inspection and food safety inspections to replace the Circular 15/2021/TT-BNNPTNT	Implemented (Circular #11/2021/TT-BNNPTNT dated September 20, 2021)
5	Draft Decree regulating state inspection of quality and food safety for imported goods	Specialized inspection	Proposed
6	Draft decree revising Decree #74/2018/ND-CP dated May 15, 2018, amending and supplementing of Decree #132/2008/ND-CP providing specific guidance on enforcement of the Law on the Quality of Products and Goods	Specialized inspection	Proposed
7	Circular 01/2021/TT-BLĐTBXH dated June 4, 2021	Provision of list of unsafe goods under MOLISA's management	Implemented
8	Circular 03/2021/TT-BYT dated March 4, 2021,	Revision of Circular #48/2018/TT-BYT dated December 28, 2018 to provide list of and HS codes for medical and herbal ingredients under MOH's management	Implemented
9	Draft decree on management of cross-border e-commerce activity in customs operation	E-commerce	Proposed
10	Draft Resolution 02/NQ-CP	Improvement of Vietnam's business environment and national competitiveness	Drafted

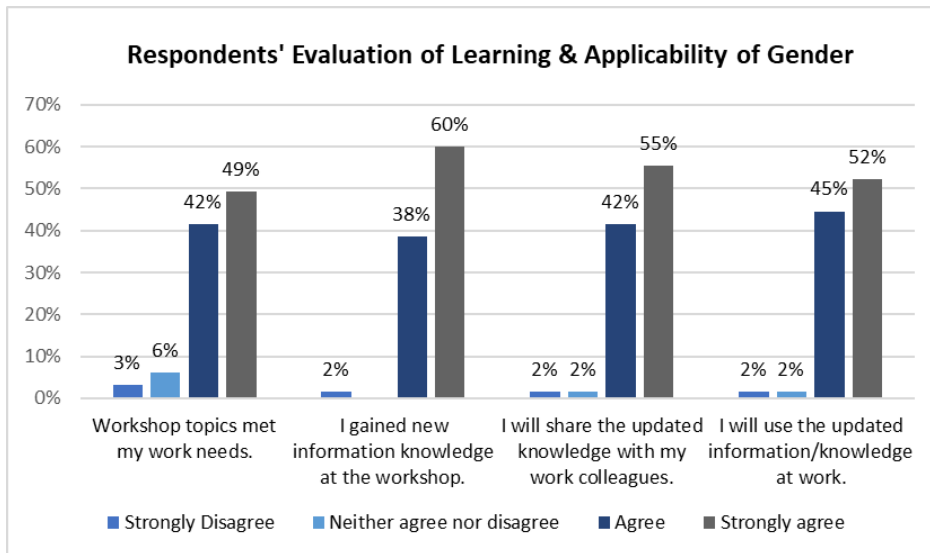
**FIGURE A.2: RESPONDENTS' LEARNING AND APPLICABILITY OF KNOWLEDGE GAINED FROM TRADE FACILITATION PROGRAM EVENTS**



Source: USAID TFP Post-event Evaluation Surveys of Training Workshop for Customs Officers, FY2021

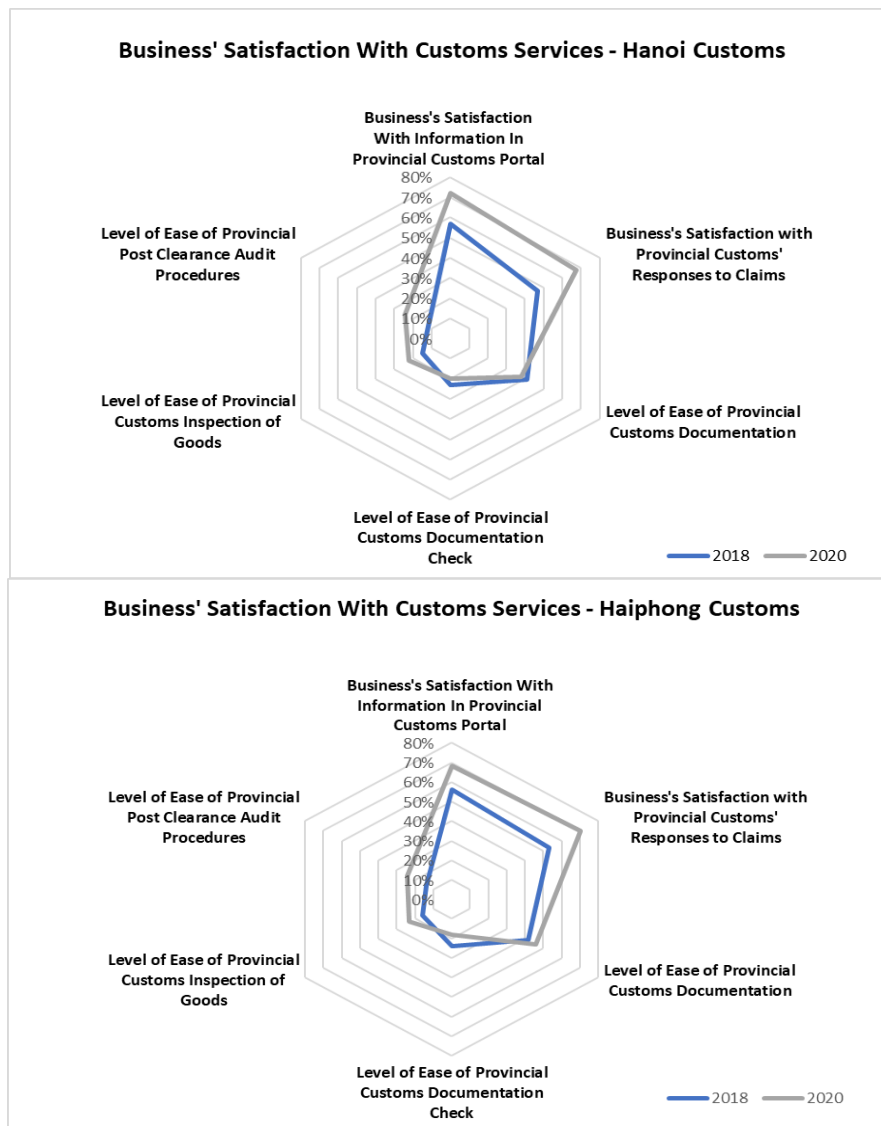


Source: USAID TFP Post-event Evaluation Surveys of Dissemination Workshops of Decree #18/2021/ND-CP on Import & Export Tax and Circular 81/2019/TT-BTC on Risk Management for Businesses, FY2021

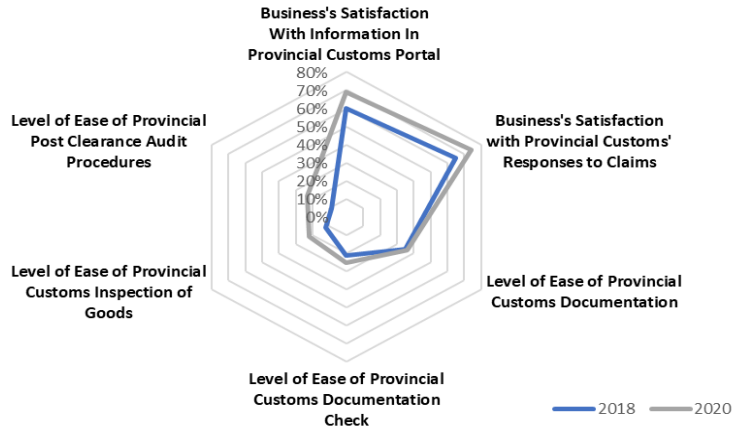


Source: USAID TFP Post-event Evaluation Survey, Gender & Social Inclusion Training, September 2021

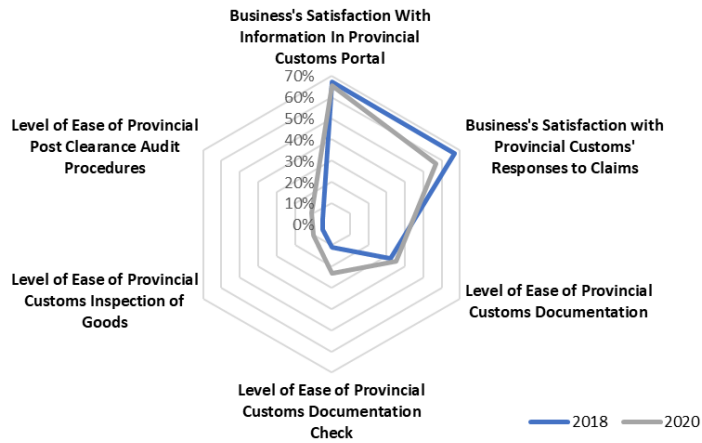
**FIGURE A.6: SIX TARGETTED CUSTOMS PERFORMANCE – CSS 2020**



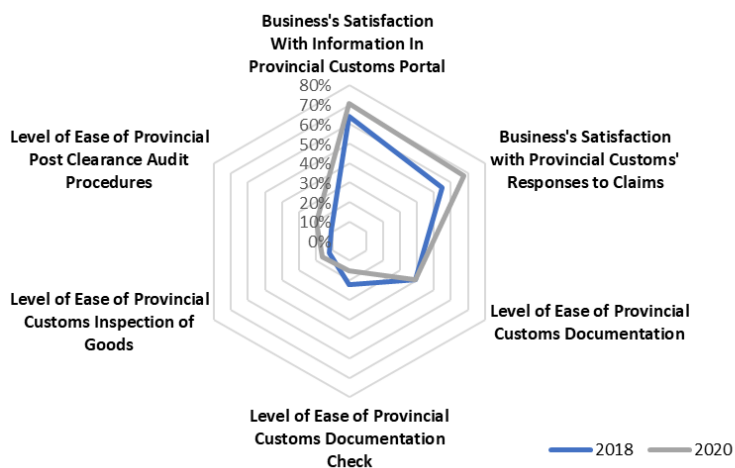
### Business' Satisfaction With Customs Services - Danang Customs



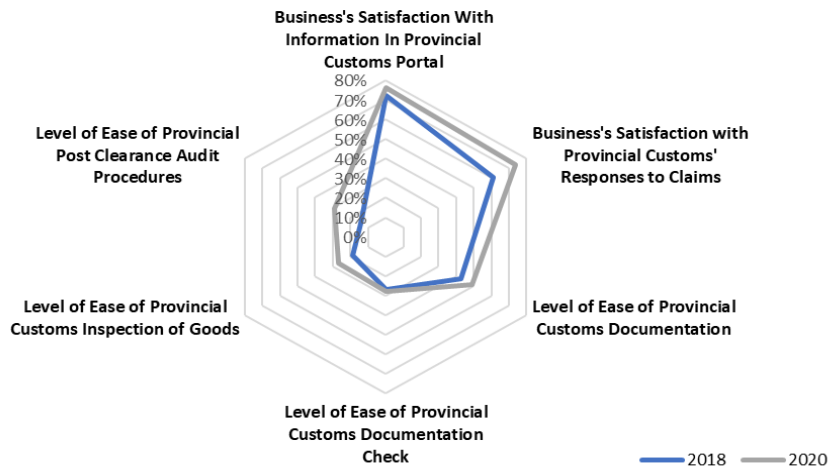
### Business' Satisfaction With Customs Services - Quang Tri Customs



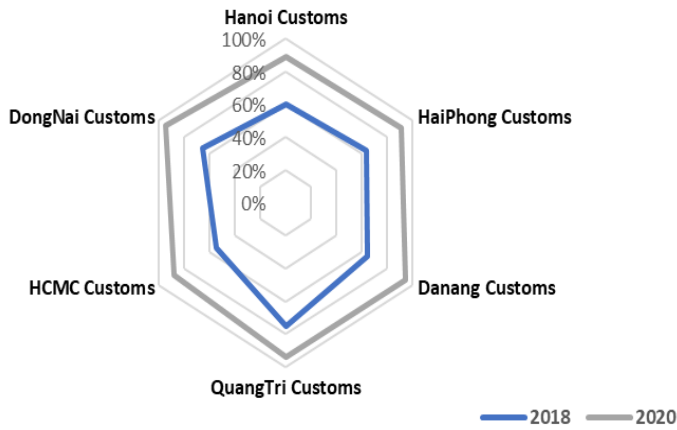
### Business' Satisfaction With Customs Services - HCMC Customs



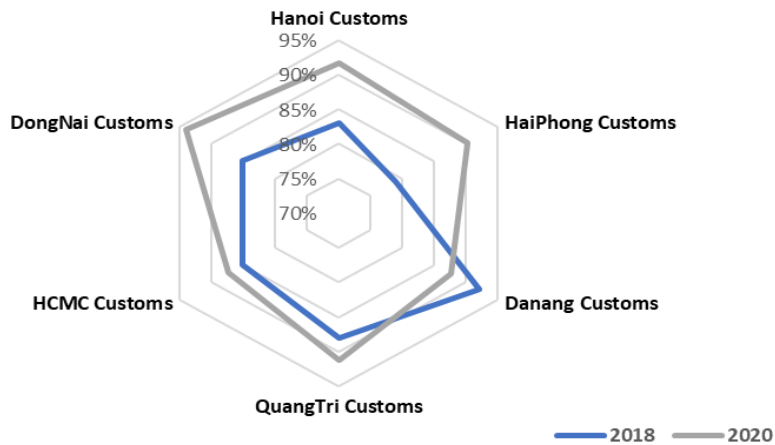
### Business' Satisfaction With Customs Services - Dong Nai Customs



### Provincial Customs Compliance With Central Policies - Documentation



### Provincial Customs Compliance With Central Policies - Cost



## ANNEX A.2. FY2021 KEY CONTEXT INDICATORS

Trade and Growth Project Purpose: Replicable approaches to facilitate a more attractive and predictable trade and investment climate for domestic and international													
Indicator	Data Source	Baseline data		FY2019	FY2020	Status – FY2021				FY2021 Performance Achieved to Date (in %)	Comment(s)		
		Year	Value	Annual Cumulative Actual	Annual Cumulative Actual	Q1	Q2	Q3	Q4				
<b>USAID Trade Facilitation Program Purpose: Cross-border trade expedited and Vietnam's ability to implement WTO TFA commitments enabled</b>													
1	Trade value of goods imported and exported from Vietnam Unit: Billion USD	GDVC website	2018	Export: 258.68 Import: 251.69	Export: 263.9 Import: 253.1	Export: 266.92 Import: 243.70	Export 80.15 Import 76.91	Export 78.40 Import 75.58	Export 79.94 Import 83.70	Export 82.12 Import 83.12	N/A	<b>Annual:</b> Main import & export goods were textiles, electronics (mobiles, PCs), woods, spare parts, etc. from Vietnam to main markets of ASEAN, South Korea, China, US, EU.	
2	Mean number of days to clear customs for import Unit: Day	GDVC	2018	1.61 (38.4h)	1.75 (42.03h)	1.74 (41.52h)	N/A				N/A	This data is collected by the calendar year (January-December). The FY2021 data is expected to be available in June 2022.	
3	Mean number of days to clear customs for export Unit: Day	GDVC	2018	0.19 (4.33h)	0.17 (4.07h)	0.19 (4.40h)							
4	Median number of days to clear customs for import Unit: Day	GDVC	2018	0.94 (22.34h)	1.05 (25.14h)	1.02 (24.23h)							
5	Median number of days to clear customs for export Unit: Day	GDVC	2018	0 (0h)	0 (0h)	0 (0h)							Median number of days was 0 because cargos in this value went thru the green line.
6	Mode number of days to clear customs for import Unit: Day	GDVC	2018	0 (0h)	0 (0h)	0 (0h)							Mode number of days was 0 because most of cargos went thru the green line.
7	Mode number of days to clear customs for export Unit: Day	GDVC	2018	0 (0h)	0 (0h)	0 (0h)							Mode number of days was 0 because most of cargos went thru the green line.



## ANNEX A.3. FY2021 KEY PERFORMANCE INDICATORS

Trade and Growth Project Purpose: Replicable approaches to facilitate a more attractive and predictable trade and investment climate for domestic and international											
Indicator	Data Source	Baseline data		FY19&20	FY21	Quarterly Status – FY21				FY2021 Performance Achieved to Date (in %)	Comment(s)
		Year	Value	Annual Cumulative Actual	Annual Planned Target	Q1	Q2 <sup>1*</sup>	Q3	Q4		
8	Number of WTO Trade Facilitation Agreement provisions supported by USG assistance (bi-annual) Unit: Number of WTO TFA provisions	Program record	2018	0	18 A: 4 B: 7 C: 6 Notified: 1	20	10 A: 3 B: 4 C: 2 Notified: 1	4 B: 2 C: 2	4 B: 3 C: 1	90%	Program supported articles: A: 2.2, 10.1, 10.7 B: 1.1, 1.2, 5.1, 5.2, 5.3, 7.5, 7.7, 7.9, 8, 10.3, 12 C: 7.1, 10.4, 7.4 Notified: 23.1
<b>Intermediate Result (IR) 1: Policies and procedures across GVN units harmonized and simplified.</b>											
9	Number of law, policies, regulations, or standards formally proposed, adopted, or implemented as supported by USG assistance <sup>2</sup> Unit: Number of legal instruments	Program record	2018	0	14 Proposed: 2 Implemented: 12	12	5 Proposed: 2 Implemented: 3	3 Proposed: 1 Implemented: 2	2 Proposed: 2	83%	<b>Q1&amp;2:</b> 4 decrees and 1 circular on SI, tax for imports & exports and customs law on customs procedures, examination, and supervision and control procedures were reviewed and revised. <b>Q3:</b> 2 circulars and 1 decree on SI <b>Q4:</b> Resolution #2 and draft e-commerce decree
11	Number of government agencies supported by USG assistance to integrate risk-management approaches.	Program record	2019	0	2	4	4			100%	<b>GDVC:</b> Dissemination workshop of Circular 81/2019/TT-BTC on RM implementation <b>GDVC &amp; MOF:</b> Draft Decree regulating state inspection of

<sup>1\*</sup> Denotes bi-annual result

<sup>2</sup> Minor change to indicator title Oct 2019 & Mar 2021

	Unit: Number of government agencies								quality and food safety for imported goods that RM approach is recommended <b>MARD:</b> Draft Circular that regulates goods with HS codes subject to quality inspection and food safety inspections to replace the Circular 15/2021/TT-BNNPTNT <b>MOIT:</b> Feasibility Study on a AEO Program that RM approach is recommended.
<b>IR 2: National-Provincial coordination strengthened</b>									
10	Percent of USG-assisted organizations with improved performance <sup>3</sup> Unit: %	Program record	2018	0	30% <sup>4</sup>	40% <sup>5</sup>	40%	100%	<b>Vietnam Customs School</b> with implementation of e-LMS <b>Customs Control &amp; Supervision Department</b> with SI reform and customs legal review <b>Risk Management Department</b> with Circular 81/2019/TT-BTC on RM implementation <b>Customs Reform &amp; Modernization Board</b> with private partnership enhancement thru national surveys of NSW, APCI, CSS and development of strategic plan

<sup>3</sup> New indicator - added in Feb 2020.

<sup>4</sup> 2 out of 7 of GDVC departments to improve performance: VCS and CCS.

<sup>5</sup> 4 out of 10 of GDVC departments to be supported

IR 3: Provincial level implementation and inter-provincial coordination strengthened												
12	Person hours of USG-supported training completed in trade and investment. Unit: Number of hours	Program Training Sign-in Sheet	June 2018	0	5,962	6,000	8,224	0	464	2250	182%	<p><b>Q1:</b> About 500 customs officials attended 5 training on Circular 81/2019/TT-BTC on risk management, ROO under new FTAs</p> <p><b>Q3:</b> 58 customs officials attended 1-day training on CBM</p> <p><b>Q4:</b> 20 customs officials attended 1.5 day training on Customs Post Release Audit by CBP and 67 customs officials attended 5 day training on risk management in customs</p>
13	Number of persons trained with USG assistance to advance outcomes consistent with gender equality or female empowerment through their roles in public or private sector institutions or organizations. Unit: Number of people	Program Training Sign-in Sheet	2018	0	121	100	0	0	0	98	98%	98 customs officials from GDVC and provincial customs were provided a training on gender and social inclusion.
14	Number of government officials receiving USG-supported anti-corruption training. Unit: Number of government officials	Program Training Sign-in Sheet	2018	0	62	60	0	0	0	98	163%	98 customs officials from GDVC and provincial customs were provided a training on anti-corruption.

IR 4: Partnership between customs and the private sector enhanced											
15	Value (\$) of non-donor resources mobilized for local development priorities (annual) <sup>6</sup> Unit: USD	Program Record	2018	0	65,569.68 <sup>7</sup>	18,000	30,934	6,640	19,086	315%	<p><b>Private Sector:</b> In-kind (time) contribution of USD 39,304 from over 1,200 representatives from PS at 8 consultation workshops of new legal acts and dissemination workshop, and VCCI resources for Program activities.</p> <p><b>GVN counterpart:</b> In-kind (speakers, meeting venue, airfares, accommodation) contribution of USD 17,356 for their officials' attendance the Program's workshops</p>

<sup>6</sup> This standard indicator was included to replace the custom indicator (Value of private sector resources leveraged with USG assistance) in the last review of MEL Plan in May 2021 together with USAID COR, MEL Specialist and USAID Learns Team.



## ANNEX D: PROJECT ACCOMPLISHMENT VS. BENCHMARK

Comp. #	Activity #	Title/Description	Deliverables (outputs)	Target Results	MEL Indicator linkages	Status
<b>Component A: Cross Cutting Activities</b>						
A		Gender Training	2 half-day trainings on gender integration for Customs officials	Improved understanding of key gender topics and incorporation of gender at work		Achieved
A		Private Sector outreach and engagement	Networking and presentations to AmCham. See Component 4 for other deliverables and details	Better engagement of private sector across program activities		Achieved
<b>Component 1: Policies and procedures across GVN units (national horizontal) simplified and harmonized</b>						
Overall objective: Program activities are geared to ensure the facilitation of legal and regulatory initiatives that are of the highest priority for GVN or hold the best potential for contributing to the effective implementation of the TFA, with particular attention to category B and C commitments. This will include implementing the National Single Window and ASEAN Single Window, reforming specialized inspection of imports and exports, and implementing the WTO Trade Facilitation Agreement.						
1	1.1.1	Implementation of NSW and ASW	Situational assessment report. Set of indicators and assessment method issued. Feasibility study report	Reform and expand the NSW to improve transparency towards the private sector, and to enhance cooperation as well as integration of processes and procedures related to customs clearance of imports and exports, including specialized inspection.	EG.2.1-1 EG.2.1-902-CUST CBLD-9	Partially Achieved (Expected Q1/2022)
I	1.1.2 1.1.3		Report Workshop	Share international practices and develop and submit for approval a Decree on connection and sharing of information [data] between state agencies and with other stakeholders through NSW		

1	1.1bis.1 1.1bis.2 1.1bis.3	Support the development and implementation of the Scheme on redesigning the blueprint for an overall Customs IT system	<ul style="list-style-type: none"> <li>• Written descriptions of technical requirements for overall customs operations</li> <li>• Comprehensive and detailed design of the IT system and proposed selection of technology for the system.</li> <li>• Workshops, international experiences from other customs authorities in designing their IT systems.</li> <li>• Conduct the study tour, develop a report on findings, conclusions, and action plan for implementing the Scheme on re-designing the blueprint for an overall Customs IT system.</li> <li>• Workshops, reports on findings, conclusions, and action plan for implementing the Scheme on re-designing the blueprint for an overall Customs IT system.</li> </ul>	Develop a new IT system for the customs authority on the basis of applying new technological achievements, in line with international standards, aiming towards digital customs, meeting the requirements of smart administration; management of businesses, exports, imports, and goods in transit; vehicles upon their entry, exit, and transit throughout the process; capable of integrating, connecting and sharing information with ministries, agencies and enterprises through the NSW and ready to exchange customs data with customs authorities of countries in the region and around the world.	EG.2.1-1 CBLD-9	Partially Achieved (Expected in Q1/2022)
1	1.3.3 1.3.4 1.3.5 1.3.6 1.3.7	Reform of specialized inspection	<ul style="list-style-type: none"> <li>• SILR Report including recommendations to the Government on several legal documents on SI to be revised to facilitate trade</li> <li>• Detailed list of goods subject to SI in accordance with list of imports-exports of Vietnam</li> <li>• Inputs to the report of the NTFC meeting</li> <li>• New legal documents to be issued to simplify SI procedures</li> <li>• Report on comments and recommendations for the draft SI Decree</li> </ul>	Simplify specialized inspection of imports and exports	EG.2.1-1 EG.2.1-902- CUST CBLD-9	Achieved

			<ul style="list-style-type: none"> <li>• New Decree providing procedures for quality control and food safety inspection to be issued</li> <li>• Development of new Resolution 02</li> <li>• Report on reviewing the implementation of Resolutions 19 and 02 and recommendations</li> </ul>			
1	1.4.1	Implementation of the WTO Trade Facilitation Agreement	<ul style="list-style-type: none"> <li>• Situational assessment report containing suggested solutions for Vietnam customs to implement TFA commitments effectively</li> <li>• Propose solutions for effective implementation of the commitments.</li> </ul>	Assessment and administration of Vietnam's level of WTO TFA implementation	EG.2.1-1 CBLD-9	Achieved
1	1.5.1 1.5.2 1.5.3	Support and increase the role and effectiveness of the NTFC including Standing Office and any Working Groups created	<ul style="list-style-type: none"> <li>• List of private sector engagement activities developed for consideration by NTFC.</li> <li>• Workshops, communications, training, and awareness events.</li> <li>• PS workshops, communications, and awareness events.</li> </ul>	Support Vietnam in implementing measures in the TFA, reforming the trade facilitation mechanism, and raising awareness	EG.2.1-1 CBLD-9	Achieved



1	1.6.1 1.6.2	Develop a Decree revising and supplementing Decree 08/2015/ND-CP and Decree 59/2018/ND-CP on customs procedures	<ul style="list-style-type: none"> <li>• Report with recommendations for revision</li> <li>• Draft Decree revising and supplementing Decree 08/2015/ND-CP and Decree 59/2018/ND-CP to be submitted to the Government</li> <li>• Dissemination workshop</li> </ul>	Simplify customs procedures to facilitate trade for businesses and ensure customs administration	EG.2.1-1 EG.2.1-902-CUST CBLD-9	Achieved
<b>Component 2: Strengthening National-Provincial (Vertical) coordination of trade facilitation strategies and facilitating import and export of goods</b>						
Overall objective: Facilitating imported and exported goods in customs clearance by ensuring that GVN trade facilitation policies and procedures are implemented more effectively through strengthened coordination, communication, and cooperation. This overall objective is customs formalities being simplified and harmonized in accordance with international standards and regulations and procedures made transparent to facilitate import and export of goods.						
2	2.1.1	E-commerce management of imports and exports	<ul style="list-style-type: none"> <li>• Provided information and guidance on customs' management of e-commerce from several of Vietnam's key trading partners including China, Japan, Singapore, the United States, and the European Union.</li> <li>• Supported drafting the e-commerce decree.</li> <li>• Organized a consultative workshop to collect the feedback on the Draft Decree from the business sector.</li> </ul>	Amendments to legal documents and customs operational measures and techniques to support importation and exportation of goods via e-commerce	EG.2.1-1 EG.2.1-902-CUST CBLD-9	Achieved

2	2.2.1 2.2.2 2.2.3	Examination and identification of origin of imported and exported goods	<ul style="list-style-type: none"> <li>• Dissemination workshop for private sector.</li> <li>• Proposed roadmap for self-certification of origin</li> <li>• Developed and piloted training module and guidebook</li> <li>• Training workshops for private sectors on self-certification of origins</li> </ul>	Improve legal procedures for self-certification of origin and origin examination of imported and exported goods	EG.2.1-1 EG.2-1 CBLD-9	Partially Achieved
2	2.3.1 2.3.2 2.3.3	Risk management of imports and exports via post and express delivery	<ul style="list-style-type: none"> <li>• Situational Assessment Report including analysis of gaps</li> <li>• Sharing experiences of other world countries on RM of goods exported and imported via post and express delivery</li> <li>• Proposed amendments and supplementation of regulatory documents</li> </ul>		EG.2.1-1 CBLD-9	On hold as counterpart requested
2	2.4.1 2.4.2	Capacity building for risk management officials	<ul style="list-style-type: none"> <li>• Trainings</li> <li>• Trip report with recommendations for next steps and developing a TCM program in Vietnam.</li> <li>• New policy on Vietnam's TCM to be developed or piloted.</li> </ul>	Capacity building for the working group/core officials of the Risk Management Department to enable effective implementation and management of the scheme/plan for Trade Compliance Measurement (TCM), thereby facilitating compliant traders and at the same time handling or strengthening customs supervision over higher risk transactions. Raise awareness of local customs departments of risk management and TCM.	EG.2.1-1 EG.2-1 CBLD-9	Pending due to COVID

2	2.12.1	Prevention of origin fraud and illegal transshipment	<ul style="list-style-type: none"> <li>• Assessment report of the existing C/O data collection, storage and sharing</li> <li>• Consultative workshops on the proposed scheme and technical solution for C/O data exchange.</li> <li>• Proposed scheme and technical solution for C/O data exchange.</li> </ul>	<p>Improve the information flow of C/O data and contribute to enhanced effectiveness of C/O governance</p> <p>Facilitate legal trade activity by compliant businesses operating in high-risk sectors</p>	EG.2.1-1 EG.2-1 CBLD-9	Achieved
2	2.12.2		<ul style="list-style-type: none"> <li>• Feasibility study report on the proposed program</li> <li>• Scheme communicated to the private sector</li> </ul>	<p>Facilitate legal trade activity by compliant businesses operating in high-risk sectors</p>		
2	2.13.1 2.13.2	RM Non-intrusive inspections (scanner)	<ul style="list-style-type: none"> <li>• Training on scanner image analysis (captured on scanner).</li> <li>• Training or exchange of experience, manual on inspection coordination with container scanners, CCTV system and other technical equipment.</li> </ul>	<p>Improve image analysis capacity of key identification officials and screening officer; learning experiences in management and operation of screening from the best practices</p>	EG.2.1-1 EG.2-1 CBLD-9	Counterpart worked directly on this activity
2	2.14 2.15	Integrated Risk Management	<ul style="list-style-type: none"> <li>• Report on international standards and practices on RM, situation assessment, with recommendations and implementation plan/roadmap consolidated, introduced, and shared among Vietnam Customs</li> </ul>	<p>Improve international standards and practices and local situation of RM</p>		Pending due to GVN delayed approval of the SI Decree

2	2.17	Centers of Excellence	<ul style="list-style-type: none"> <li>• Assessment report</li> <li>• Training Needs Assessment (TNA) Report</li> <li>• Training plan</li> <li>• Training courses, workshops</li> </ul>	Enhance the capacity of customs through developing and operationalizing the Center of Excellence		Pending due to COVID
<b>Component 3: Strengthening the provincial level implementation and inter-provincial coordination in at least five targeted provinces</b>						
Overall objective: Capacity building for customs officials in different positions at central and provincial levels to meet the requirements of modern customs management and criteria set out in the capacity framework to ensure that professionalism and integrity at the provincial level is reinforced and a risk management approach implemented.						
3	3.1.1 3.1.2 3.1.5	Capacity training for risk management officials	<ul style="list-style-type: none"> <li>• In-depth training on key analysis and targeted identification of goods analysis and targeting of sea cargo, risk control of air cargo, risk indicators; targeting analysis, inspection and coordination of forces, risk control effectiveness.</li> </ul>	Capacity building for risk management officials	EG.2.1-1 EG.2-1 CBLD-9	Achieved
3	3.2.1	Training and dissemination of information about customs verification activities	<ul style="list-style-type: none"> <li>• Survey results on needs assessment and identification of information</li> </ul>	Facilitate the business community by [providing them with knowledge of] the goods analysis and classification process, lists of goods subject to analysis		Pending due to GVN delayed approval of the SI Decree
	3.3.1 3.3.2 3.3.3 3.3.4	Develop online training program - Training capacity of Vietnam Customs School	<ul style="list-style-type: none"> <li>• Complete the e-learning management system (eLMS) in technical terms</li> <li>• 10 e-learning lectures and 10 case studies</li> <li>• training courses for lecturers of the School</li> <li>• National workshop introducing the LMS, the roles and participation in LMS by Customs units in the whole Customs sector</li> </ul>	Develop an online training program besides the traditional training program of Vietnam Customs School (VCS).		Achieved

3	3.4.1 3.4.2 3.4.3	Develop human resources [for the entire customs]	<ul style="list-style-type: none"> <li>• Training plan for 2020 - 2025, vision to 2030.</li> <li>• A program for leadership and management skill training of officials in leadership positions.</li> <li>• E-learning modules</li> </ul>	Develop a competency and skill-based training program for officials in leadership positions.		Partially Achieved
3	3.6.1 3.6.2	Raising awareness of the TFA and prevention of origin fraud and illegal transshipment for Haiphong and Hanoi Customs	<ul style="list-style-type: none"> <li>• Workshops/discussions on the WTO TFA and the prevention origin fraud and illegal transshipment</li> </ul>	Improve awareness of the TFA and prevention of origin fraud and illegal transshipment at the selected provinces		Achieved
3	3.6.3	Da Nang Customs - Scheme on controlling the risks of counterfeit C/O and illegal transshipment	<ul style="list-style-type: none"> <li>• Training risk control of C/O falsification and illegal transshipment</li> <li>• A mechanism for support and sharing of information between customs and non-customs agencies, and between Da Nang Customs and foreign customs administrations</li> </ul>	Improve the effectiveness of Customs officials to prevent origin fraud and illegal transshipment		Partially Achieved
3	3.6.4	Dong Nai Customs: Trade Facilitation Scheme to find solutions for handling of forged documents in customs procedures	<ul style="list-style-type: none"> <li>• Workshops to share experiences among local customs depts on detection and handling forged documents in customs dossiers</li> <li>• A mechanism for support and exchange of information inside and outside the customs administration</li> </ul>	Improve capacity in the appraisal of documents and dossiers, skills to detect potential risks of counterfeit documents, bills of lading, container numbers, customs valuation, and origin		Pending due to Covid

3	3.6.5	Quang Tri Customs - SI mechanism and CBM	<ul style="list-style-type: none"> <li>• Training on CBM, SI, TFA, C/O fraud and illegal transshipment for officials and private sector (implemented with HN, HP, Da Nang Customs)</li> </ul>	Improve skills and build capacity for customs officials on the clearance of goods and to minimize time and costs, and improve border management and SI procedures		Partially Achieved
3	3.6.6	HCMC Customs - Scheme against congestion and facilitation of logistics activities at Cat Lai Port	<ul style="list-style-type: none"> <li>• Pre-feasibility report on Cat Lai Scheme, capacity building and training, recommendations on IT support system which are to be identified at the conclusion of the study</li> <li>• Training on TFA and FTA related topics (implemented with other targeted provincial customs)</li> <li>• White book published</li> </ul>	Assess performance, bottlenecks/constraints, dwell time and propose strategies and actions towards mitigating congestion through new or expanded facilities as well as IT-related solutions and private sector investment		Achieved
<b>Component 4: Partnerships between customs and the private sector enhanced</b>						
Overall objective: The aim is to have the private and public sectors engaged and involved in proposing policy and procedural reform through more regular consultation and increased dialogue. This will require developing customs-business partnership with the specific objectives of: expanding the AEO program to businesses in the import-export supply chain; improving the compliance of businesses in the implementation of customs procedures; encouraging businesses to give critical feedback on customs management activities; and contributing to trade facilitation and improving customs management efficiency.						
4	4.1.1	Develop the AEO program	<ul style="list-style-type: none"> <li>• Gap analysis Recommendations on direction for the implementation of the AEO program in Vietnam.</li> <li>• Consolidated proposals from private sector and line ministries on AEO program.</li> <li>• Assessment report on interaction impacts between entities in the supply chain and the customs authority</li> <li>• New regulation on AEO with Vietnam's AEO program expanded and in line with international guidelines and standards</li> </ul>	Expand the AEO program to compliant traders while maintaining customs controls and enforcement	EG.2.1-1 CBLD-10 CBLD-9 EG.2.1-902-CUST	Achieved

4	4.3.1 4.3.2 4.3.3	Customs-Business partnership	<ul style="list-style-type: none"> <li>• Periodic quarterly consultations organized</li> <li>• Thematic seminars on brokerage organized</li> <li>• Thematic seminars on trade items organized</li> <li>• Database of trade items developed</li> </ul>	Improve the effectiveness of customs management	EG.2.1-1 CBLD-10 CBLD-9	Partially Achieved
4	4.4.1 4.4.2 4.4.3	Business satisfaction survey on administrative procedures of customs agency	<ul style="list-style-type: none"> <li>• Survey questionnaire.</li> <li>• List of surveyed businesses.</li> <li>• Number of responses from businesses.</li> <li>• Software for data entry and cleaning.</li> <li>• Survey report</li> <li>• Assessment of the level of business satisfaction with administrative procedures of customs.</li> <li>• Assessment of the level of business satisfaction with administrative procedures of Ministries implemented on the NSW.</li> <li>• Announcement workshop</li> </ul>	Identify constraints and drawbacks in need of improvement to increase satisfaction of businesses with administrative procedures of customs agencies for maximum trade facilitation.	EG.2.1-1 CBLD-10 CBLD-9	Achieved
4	4.4.4 4.4.5		<ul style="list-style-type: none"> <li>• Survey questionnaire.</li> <li>• List of surveyed businesses.</li> <li>• Number of responses from businesses</li> <li>• Software for data entry and cleansing.</li> <li>• Assessment and analysis report on the costs to implement administrative procedures in customs area.</li> <li>• Announcement workshop</li> </ul>	Identify the costs actually paid by businesses to implement administrative procedures in customs area, and suggest mitigation solutions for maximum trade facilitation		Achieved
4	4.6.1 4.6.2 4.6.3	Prepare the Customs Development Strategy for 2021-2030	<ul style="list-style-type: none"> <li>• Assessment Report</li> <li>• Draft Strategy</li> <li>• Consultative workshops</li> </ul>	formulate the Customs Development Strategy for 2020-2030 and align Customs Operations with international standards for modern customs.	EG.2.1-1 CBLD-9	Partially Achieved (to be achieved in Q1/2021)

4	4.6.4		<ul style="list-style-type: none"> <li>• Strategy communication program</li> <li>• Launching workshop of the Customs Development Strategy for 2021-2030.</li> <li>• Strategy and Action Plan's M&amp;E Plan</li> </ul>	formulate the Customs Development Strategy for 2020-2030 and align Customs Operations with international standards for modern customs.		
4	4.7.1 4.7.2	Implementation of Free Trade Agreement	<ul style="list-style-type: none"> <li>• Conference(s) and Workshop(s)</li> <li>• Review and assessment reports.</li> </ul>	Increase businesses' awareness of Vietnam's import tariff policies in international economic integration; encourage businesses to use preferential Certificates of Origin [C/O] to benefit from FTAs thereby reducing customs clearance time and increase the application of preferential tariffs.	EG.2.1-1 CBLD-9	Partially Achieved. /Expected in Q4/2022
4	4.8.1 4.8.2	Trade Facilitation related communication, coordination, and Private Sector outreach at local level	<ul style="list-style-type: none"> <li>• Workshop(s)</li> <li>• Information handbook</li> <li>• Increased awareness of TFA and benefits to be gained, opportunity for 'bottom-up' communication to influence policy and procedures, and horizontal exchange of 'best fit' practices and initiatives at provincial level.</li> <li>• TF and improved C2B and G2B mechanisms operationalized.</li> <li>• Training on TFA, promotion of e-learning and awareness of provincial TF mechanism.</li> </ul>	Raising awareness of the TFA at local level	EG.2.1-1 CBLD-10 CBLD-9	Partially Achieved (Expected Q3/FY2022)



## ANNEX E: PROJECT BIBLIOGRAPHY

Title	Type of Document	Date Submitted/Approved
Year 1 Annual Work Plan	Contractual Deliverable	August 31, 2018 September 28, 2018 October 29, 2018 January 31, 2019 March 4, 2019 (approved)
Quarter 1 Progress Report	Contractual Deliverable	January 31, 2019 February 15, 2019 (approved)
Quarter 2 Progress Report	Contractual Deliverable	April 30, 2019 May 21, 2019 (approved)
Comments/Revisions of Circulars 38/2015 and 39/2019	Technical Report/Legal Acts and Regulations	August 2019
Gender Assessment	Contractual Deliverable/ Technical Report	February 2019
MEL Baseline Assessment	Contractual Deliverable/ Technical Report	February 2019
MEL Plan	Contractual Deliverable	August 13, 2018 October 25, 2018 April 3, 2019 (approved)
Provincial Selection Report	Technical Report	February 2019
Specialized Inspection Legal Review	Technical Report/Legal Acts and Regulations	March 2019
Quarter 3 Progress Report	Contractual Deliverable	July 30, 2019 August 10, 2019
Annual Report	Contractual Deliverable	October 31, 2019
Year 2 Annual Work Plan	Contractual Deliverable	August 31, 2019
Situational assessment report on trade facilitation in selected provinces	Technical Report	December 2019
Quarter 1 Progress Report	Contractual Deliverable	January 31, 2020
Review and situational assessment report of Vietnam Trade Information System (VTIP)	Technical Report	January 2020
Situational assessment report of risk management	Technical Report	January 2020
MEL Plan	Contractual Deliverable	February 11, 2020 March 5, 2020 (approved)
Quarter 2 Progress Report	Contractual Deliverable	April 30, 2020
Survey report on the business satisfaction of administrative procedures on the Vietnam National Single Window	Technical Report	June 2020

Specialized Inspection Legal Review	Technical Report/Legal Acts and Regulations	March 2019
Quarter 3 Progress Report	Contractual Deliverable	July 30, 2020
Assessment report of congestion at Cat Lai Terminal	Technical Report	September 2020
Annual Report	Contractual Deliverable	October 31, 2020
Report on Global Development on Customs Initiatives: Customs Modernization in the Age of Trade Facilitation Agreement	Technical Report	October 2020
Interim Report: Diagnostic Study of Customs in Vietnam	Technical Report	October 2020
General Department of Vietnam Customs e-Customs ICT System Blueprint	Technical Report	November 2020
Final Situational Assessment Report: Support and Increase the Role and Effectiveness of the Vietnam National Trade Facilitation Committee (V-NTFC)	Technical Report	November 2020
Analytical Report: Support and Increase the Role and Effectiveness of the Vietnam National Trade Facilitation Committee (V-NTFC)	Technical Report	November 2020
Finding and Review of legal documents on specialized management and inspection of exports and imports	Technical Report	November 2020
Research paper: International Authorized Economic Operator (AEO) Programs – Situational Analysis, Best Practices and Gap Analysis	Technical Report	November 2020
Vietnam's Implementation of the WTO Trade Facilitation Agreement, Phase II	Technical Report	December 2020
National Single Window Operational Model	Technical Report	December 2020
National Single Window Master Data Management	Technical Report	December 2020
Quarter 1 Progress Report	Contractual Deliverable	January 31, 2021
Assessment of Congestion and Recommendation to Facilitate Logistics for Cat Lai Terminal in HCMC (revived April 2021)	Technical Report	April 2021

Quarter 2 Progress Report	Contractual Deliverable	April 30, 2021
Customs Satisfaction Survey 2020	Technical Report	May 2021
Assessment of Implementation of Resolution #2/NQ-CP & #19/NQ-CP	Technical Report	May 2021
Legal (compatibility) Review Report of the Draft SI Decree	Technical Report	May 2021
Regulatory Impact Assessment for Administrative Procedures to Calculate Compliance Costs under the Draft SI Decree	Technical Report	June 2021
Quarter 3 Progress Report	Contractual Deliverable	July 30, 2021
Research Paper and International Survey on Best Practices for Management of Goods Transacted via Cross-border E-commerce	Technical Report	August 2021
Customs Satisfaction Survey 2020 – Provincial Reports of Hanoi Customs, Hai Phong Customs, Danang Customs, Quang Tri Customs, HCMC Customs and Dong Nai Customs	Technical Report	September 2021
Annual Report	Contractual Deliverable	October 31, 2021

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## ANNEX G. LIST OF ALL TECHNICAL ASSISTANCE ACTIVITIES, IN-COUNTRY WORKSHOPS, FORUMS, TRAININGS ORGANIZED AND NUMBERS OF PARTICIPANTS

No.	Activity number	Technical Assistance Activities	Type	City Location	Dates of Events	Total # participants (# private sector + # GVN )
1.	FY20-3.3	CLiKC! Training for local customs departments	Training	Hanoi	1 Oct 2020	30
2.	FY20-3.3	CLiKC! Training for local customs departments	Training	Long An	3-4 Oct 2020	25
3.	FY20-3.3	CLiKC! Training for local customs departments	Training	Da Nang	10-11 Oct 2020	35
4.		BUSINESS SATISFACTION SURVEY CUSTOMS 2020	Workshop	Hanoi, HCM	From Oct to April 2020	200
5.	FY20-1.6.1	Consultative workshops on Amendments and Supplements to Decree 08/2015/ND-CP and Decree 59/2018/ND-CP, Hanoi 30-1 Dec20	Workshop	Hanoi	30 Nov2019-01 Dec2020	206
6.	FY20-1.6.1	Consultative workshops on Amendments and Supplements to Decree 08/2015/ND-CP and Decree 59/2018/ND-CP, Hanoi 30-1 Dec20	Workshop	Hanoi	8-9 Dec2020	206
7.	FY19-1.3.7 and 1.3.3	Two 3-day focus working group to develop, consolidate comments, findings, and recommendations to complete the Draft Scheme in --- province Hanoi (GDVC headquarters) in on 25-26 and 28 February 2020	Meeting	Hanoi	25-28 Feb 2020	27
8.	Ad hoc	Virtual Workshop 'Introduction to Customs Post-Release Audits'	Training	Virtual	11-13 Aug 2021	20
9.	A 2.1	Training on gender, social inclusion, and integrity for customs officials	Training	Virtual	21 Sept 2021	98
10.	FY21-4.3	3rd Private Sector Trade Facilitation Meeting in HN & 1st in HCMC	Workshop	Virtual	21-23 Sept 2021	50
11.	FY21-3.3-1&2	Training on risk management in customs	Training	Virtual	27 Sept 2021	67