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USAID/Vietnam: Vietnam Governance for Inclusive Growth Program

Quarterly Performance Report: Q1 FY 2018 (October 1, 2017 – December 31, 2017)



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Vietnam Governance for Inclusive Growth (GIG) Program

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Cover photo: Assoc. Prof. Dr. Tran Ngoc Anh, from Indiana University, in Vietnam (forefront) and Mr. Michael Greene, USAID/Vietnam Mission Director (background), during a training program on governance and leadership skills for public officials at the provincial level. (MPI037) Photo by: Bui To Linh

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Table of Contents

ACRONYMS AND ABBREVIATIONS.....	3
I. EXECUTIVE SUMMARY	4
II. KEY ACHIEVEMENTS.....	5
III. PROGRAM PROGRESS	6
IV. MONITORING, EVALUATION, AND LEARNING	13
V. FINANCIAL INFORMATION	16
VII. LESSONS LEARNED AND SUSTAINABILITY	17
ANNEX I: MONITORING, EVALUATION, AND LEARNING DATA	18
ANNEX II: DTA REPORT SUMMARY	24
ANNEX III: SUCCESS STORY: VIETNAMESE BUSINESSES AND WORKERS BENEFIT FROM TAX REFORM.....	33

Acronyms and Abbreviations

AWP5	Year 5 Annual Work Plan
CCLPHH	Center for Counseling on Laws and Policies on Health and HIV/AIDS
CAG	Core Analyst Group
CEC	Central Economic Commission
CGE	Computable General Equilibrium
CIEM	Central Institute for Economic Management
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
DTA	Direct technical assistance
FY	Fiscal year
GDVC	General Department of Vietnam Customs
GIG	Governance for Inclusive Growth
LGBT	Lesbian, gay, bisexual, and transgender
MDRI	Mekong Development Research Institute
MOF	Ministry of Finance
MOIT	Ministry of Industry and Trade
MOJ	Ministry of Justice
MOST	Ministry of Science and Technology
MPI	Ministry of Planning and Investment
NA	National Assembly
PMU	Program Management Unit
SAV	State Audit Office of Vietnam
SMEs	Small and medium enterprises
SPC	Supreme People's Court
SPP	Supreme People's Procuracy
TFA	Trade facilitation Agreement
TPP	Trans-Pacific Partnership
UN	United Nations
USAID	United States Agency for International Development
VAWE	Vietnam Association for Women Entrepreneurs
VLA	Vietnam Lawyers' Association
VND	Vietnamese Dong
VTCA	Vietnam Tax Consultants' Association
VTFA	Vietnam Trade Facilitation Alliance
WTO	World Trade Organization

I. EXECUTIVE SUMMARY

The United States Agency for International Development's (USAID) Governance for Inclusive Growth (GIG) Program works with the public and private sector in Vietnam to enhance governance to facilitate broader-based, sustainable growth, with an emphasis on improving the legal and regulatory environment, accountability, and the inclusion of groups that have historically not had equality of rights or opportunities improved. Throughout four years, the GIG Program and its counterparts have supported Vietnam's efforts to improve its legal drafting, including on more than 50 laws and regulations; implemented almost 50 activities to enhance policy development; and worked with more than 60 civil society organizations to support reforms.

Countrywide implementation of the GIG Program is approved and monitored by a Program Management Unit (PMU) operating under the authority of the Ministry of Justice (MOJ). In addition to the MOJ, the program currently has five other main counterparts: Ministry of Industry and Trade (MOIT), Ministry of Finance (MOF), State Audit Office of Vietnam (SAV), the Ministry of Planning and Investment (MPI), and the National Assembly (NA). A total of six *ad hoc* counterparts are part of fiscal year (FY) 2018's annual work plan: Central Economic Committee (CEC); Supreme People's Procuracy (SPP); Supreme People's Court (SPC); Central Committee on Internal Affairs; Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Management Authority; and Vietnam Lawyer's Association (VLA).

During the first quarter of its fifth and final year, the GIG Program and its counterparts continued to focus on implementation of technical assistance activities that placed emphasis on quality, consistency, and sustainable outcomes. The MOJ PMU swiftly approved the Year 5 Annual Work Plan (AWP5) on November 16, 2017, and based on indicator results for the year's first quarter, the GIG Program is on-track towards achieving its future targets.

Activities during the first quarter contributed towards the GIG Program's objectives and expected results by simplifying procedures to improve the business environment and enhance private-sector competitiveness, and in this way help meet requirements and commitments under the World Trade Organization Trade Facilitation Agreement (WTO TFA) and Resolution 19. In addition, the GIG Program and its counterparts built the capacity of public institutions to oversee budgets and evaluate the impact of proposed financial reforms; and provided quality information and analysis to evaluate the impact of domestic value-added tax reform on state revenue. The GIG Program also upgraded an information portal to improve the National Assembly's engagement with citizens, and strengthened the capacity of the SPP and the General Department of Vietnam Customs (GDVC) to combat wildlife trafficking. Finally, activities this quarter reduced legal and regulatory barriers for vulnerable groups, and strengthened economic inclusion for small and medium enterprises (SMEs) and cooperatives.

The GIG Program and its counterparts continued effecting systemic impact to the greatest extent possible in the design of direct technical assistance (DTA) activities. Also, the GIG Program submitted a plan to USAID/Vietnam describing a monthly series of inter-governmental seminars based on technical assistance conducted since 2013, to build sustainability by sharing experience and lessons learned among counterparts, the GIG Program, and other stakeholders such as civil society organizations, business associations, among others.

Sections II and III of this report describe key achievements and progress against the activities included in the AWP5. Section IV assesses the program’s effectiveness during the first quarter of FY 2018, and progress towards improving gender equality. Sections V and VI provide information on program and financial management. Finally, Section VII explains lessons learned during the reporting period, and progress towards sustainability. Annexes include detailed monitoring and evaluation information and the GIG Program’s most recent Success Story.

II. KEY ACHIEVEMENTS

This section highlights the GIG Program’s key achievements in the first quarter of FY 2018 to improve the quality of Vietnam’s laws and regulations; strengthen the oversight, transparency, and accountability of public institutions; enhance private sector competitiveness; and combat wildlife trafficking.

Contributing to Vietnam’s 2018 Ease of Doing Business ranking. On October 31, the World Bank published its annual Doing Business Report, which assesses the ease of doing business among 190 economies, ranking countries by 10 indicators. Vietnam saw its highest increase in rankings in the past decade, jumping 14 rankings (i.e., from 82nd place in the last report to 68th this year). Vietnam also made great progress in the following indicators: paying taxes - including social insurance (up 81 places); getting electricity (up 32 places); dealing with construction permits (up four places); and enforcing contracts (up three places). Since 2014, the GIG Program has been supporting the government’s reform efforts to improve the business environment and national competitiveness through Resolution 19 — which has based its benchmarks on the Doing Business methodology, among other international studies¹. With the momentum from the Doing Business 2018 results, the government’s strong political will, and active engagement from the public and private sectors, the implementation of Resolution 19 will continue to help inspire reforms in Vietnam’s business environment.

Institutionalizing policy impact assessment. In 2017, the Hanoi Law University (HLU), the MOJ, and the GIG Program trained judges, lawyers and government officials in the use of precedent in the rule of law, and in policy impact assessments, with a view to incorporate the training materials in HLU’s Masters degree programs. In November 2017, the HLU launched its Policy Impact Assessment syllabus for the “Applied Masters Training Program in Constitution and Administrative Legislation.” The syllabus applies the Policy Impact Assessment Manual developed in 2016 by the MOJ and the GIG Program to assess the impact of laws on social, economic, procedural, and gender and other inclusion reforms. HLU expects the syllabus to be part of other Masters degree programs in the future, including: Civil Law and Civil Procedure Law, Criminal Law and Criminal Procedure Law, and Economic Law. The institutionalization of policy impact assessment training materials as part of HLU’s Masters programs equips future graduates with skills that will improve policymaking, thereby strengthening the rule of law, judicial effectiveness, and transparency in

¹ To guide the implementation of Resolution 19 of 2017, in addition to the World Bank’s Doing Business Report, the Government of Vietnam referenced a variety of international studies: the World Intellectual Property Organization Global Innovation Index; the World Economic Forum Global Competitiveness Index; and the United Nations e-Government Development Index.

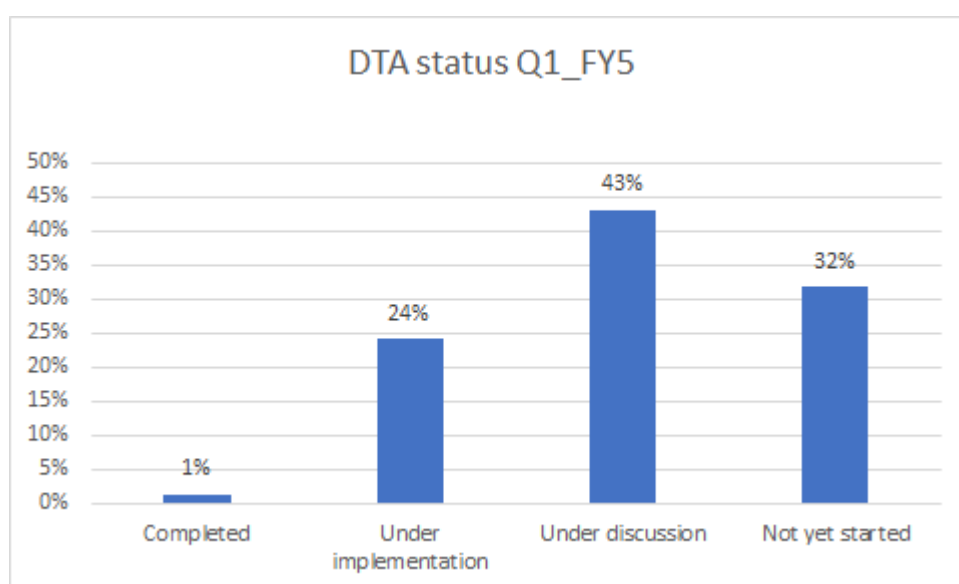
Vietnam.

Supporting the revision of the 2017 Law on Forestry. On November 15, Vietnam’s NA passed the revised Law on Forestry — formerly known as the 2004 Law on Forest Protection and Development and among the few laws that regulate wildlife protection in Vietnam — marking a critical juncture in the country’s efforts to combat forest degradation and combat wildlife trafficking. In 2017, the NA and the GIG Program facilitated stakeholder consultations and recommended key revisions to the law, which were accepted in seven of its articles. A stronger law will improve the government’s oversight and legislation to combat wildlife trafficking to protect Vietnam’s biodiversity.

Strengthening business-to-business linkages with SMEs. Through a grant with the GIG Program signed on October 18, entitled: “Assist SMEs to access International Markets through enhanced B2B Connectivity and improved Capacity,” the GIG Program developed its first public-private partnership of FY 2018. The Mekong Development Research Institute (MDRI) will improve capacities and connect local SMEs with other businesses and customers, thereby expanding market opportunities for SMEs, increasing trade, and promoting economic inclusion.

III. PROGRAM PROGRESS

The AWP5 includes a list of 79 DTA activities with counterparts, which the PMU approved on November 16, 2017. As of December 31, 2017, the status of the 79 DTAs was as follows: 19 were under implementation, 34 were under discussion, 25 had not yet started, and one was completed. (Additional details of each DTA can be found in Annex II). The chart below shows the status of AWP5 DTAs as of December 31, 2017, in percentages.



Source: DTA Report Summary (Annex II)

Below, the GIG Program describes progress against the planned activities included in the AWP5’s narrative (including DTAs, as well as work under grants and subcontracts), by

each of the three integrated GIG Program's expected results, also referred to as Components 1, 2, and 3.

Component 1: Clear and Transparent Legal and Regulatory Framework

Activities under Component 1 during the first quarter of FY 2018 simplified procedures to improve the business environment and enhance private-sector competitiveness, and in this way help meet requirements and commitments under the WTO TFA and Resolution 19. Additionally, Component 1 and its counterparts improved policymaking skills and engaged stakeholders such as: businesses, including SMEs, to strengthen their voices in the policymaking process. The GIG Program and its counterparts led the following initiatives during the first quarter of FY 2018:

World Trade Organization Trade Facilitation Agreement and Resolution 19

Simplifying the list “Group-2 commodities.” Through a consultative workshop held on October 11-13, the Ministry of Science and Technology (MOST) and the GIG Program created a space for dialogue for representatives from 14 ministries, the Office of the Government, CIEM, and business associations to discuss and agree on the list of imports and exports included in the category of “Group-2 commodities” (i.e., goods and products possibly unsafe for consumers and/or that could affect the health of consumers, such as:

Commenting on the GIG Program's added value, on October 11-13, 2017, CIEM's Mrs. Nguyen Minh Thao, said: *“We are lacking specific and consistent criteria for reviewing the list. It is impossible to produce a full, correct list of all sectors if each ministry follows their own review criteria.”*

electric goods, milk-made products, some types of medical equipment, and pesticides). With feedback from the workshop, MOST was able to accelerate the task of simplifying the list by providing concrete guidance for ministries to complete a single, full list of “Group-2 commodities.”

Moreover, during a field visit on October 30-31, MOST and the GIG Program reviewed the implementation of two key laws in the regulation of imports and exports: the 2006 Law on Standards and Technical Regulations and the 2007 Law on Quality of Goods and Products. Stakeholders shared practical insights regarding the laws' implementation over the past ten years, which will help simplify import and export regulations in Vietnam.

These activities simplify customs procedures and the specialized inspection of imports and exports to help improve Vietnam's Trading Across Borders indicator ranking in the World Bank's Doing Business report, whose methodology is referenced by Resolution 19 to set its benchmarks. (*MOST001*)

Supporting Resolution 19's assessment reports. On November 27-December 1, and December 7-8, the MPI's CIEM and the GIG Program, consulted businesses and provincial customs authorities' representatives in the North and South to identify and document challenges in customs procedures and the specialized inspection of imports and exports (i.e., goods and product quality control, animal food safety, and declaration of chemicals, etc.), and as part of recurrent assessment reports to the Prime Minister on the implementation of Resolution 19 of 2017. Reducing customs clearance time will improve Vietnam's Trading Across Borders indicator ranking in the World Bank's Doing Business report, and further facilitate trade for business. (*MPI039*)

Simplifying specialized inspection with Customs. On December 27-29, the GIG Program and the GDVC held a focus group discussion with customs officials at the provincial and central levels, and businesses in the Central Region to review legal documents related to the specialized inspection of export and import goods and provide recommendations for their simplification. (TFA018)

Supporting the implementation of international trade commitments. Through the Vietnam Trade Facilitation Alliance (VTFA), a grant active since 2015, the GIG Program supports the implementation of the WTO TFA; promotes meaningful customs-to-business consultations; and prepares Vietnamese enterprises to join global supply chains with a focus on customs and compliance. On October 25-26, the VTFA organized the “Mekong Connect 2017,” conference, where businesses (including SMEs); business associations; government representatives; and academics; discussed developing higher value-added products from the Mekong River Delta region. Also, the VTFA, the Vietnamese High-Quality Product Business Association, and Bureau Veritas, held two training programs on November 1-3 and December 27-30, for Vietnamese exporters on the Food Safety Modernization Act (FSMA) – Preventive Controls Qualified Individual (PCQI), which help food processors in Vietnam meet international trade requirements. (GUC102)

Business environment and private sector competitiveness

Improving customs-to-business-partnerships. The GDVC is developing a new and enhanced interface within the Customs Information Portal for sharing information and facilitating customs-to-business communications. To support the GDVC’s efforts, on October 24 and 26, the program conducted two consultative workshops to introduce the recommended online interface options and content outline, and to gather additional feedback from businesses and provincial customs departments. The development of the customs-to-business interface will be conducted in 2018 to



The GDVC and the GIG Program consulted with businesses and the provincial customs department from the Ba Ria and Vung Tao Provinces to improve customs-to-business communications. (TFA002) Photo by: Tu Pham, GIG Program.

enhance trade, improve the business environment, and support the institutionalization of customs-to-business partnerships. (TFA002)

Improving the tax regulatory environment and taxpayers’ compliance. Through a subcontract with the GIG Program, signed on December 19, the Vietnam Tax Consultants’ Association (VTCA) will help improve the effectiveness, clarity, transparency, and fairness of the tax policy system by providing input for the revision of five tax-related laws; and improving businesses’ awareness and capacity to voluntarily comply with the tax system. On December 28, the VTCA delivered a training program on filing Personal Income Tax and Corporate Income Tax for 96 participants from SMEs. To promote sustainability, the training program focused on the most pragmatic issues in complying with the existing tax regulatory framework for business operations in

Vietnam, and provided simplified and user-friendly supporting materials for taxpayers. Facilitating compliance with taxes will increase the quality and sustainability of tax policies and tax compliance rates. (*Subcontract*)

Promoting global anti-corruption and integrity standards. Through a subcontract with the GIG Program signed on December 5, Towards Transparency, a Vietnamese non-governmental organization, will increase commitment and action by the business sector to implement effective anti-corruption norms and practices in business, in cooperation with the government, as a way to improve the business environment. (*Subcontract*)

Public participation in policymaking

Supporting a more inclusive and dynamic policymaking process. Representatives from business associations and 14 ministries jointly discussed the list of “Group-2 commodities” and regulations for the quality assessment of import and export goods and products, during a consultative workshop on October 11-13. (*MOST011, see also Page 7*).

Improved policymaking

Building the governance skills of Vietnam’s government officials at the provincial level. MPI’s Academy for Policy Development — the leading policy research and analysis training institution in Vietnam — and the GIG Program held an in-depth training program on governance skills for officials at the provincial level on December 18-22, focused on development policy, leadership skills, and human resource development in the public sector. Academy for Policy Development lecturers taught during the training program, gathered input for a future executive program on local governance and public policy, and developed their skills to facilitate the program at the Academy for Policy Development in the future. Improving the governance approach and skills of provincial-level government officials enhances the policymaking process. (*MPI037*)



Mr. Dao Van Hung, President of the Academy of Policy and Development, Ministry of Planning and Investment during a training program on governance and leadership skills for public officials at the provincial level. (MPI037) Photo by: Bui To Linh

Component 2: Improved Accountability of Public Institutions

Counterparts and the GIG Program collaborated during the first quarter of FY 2018 to strengthen the oversight, transparency, and accountability of public institutions. They also built the capacity of public institutions to oversee budgets and evaluate the impact of proposed financial reforms; and provided quality information and analysis for evaluating policy implementation. With the NA, the GIG Program upgraded an information portal to improve engagement with citizens, and finally, the GIG Program assisted the SPP and the GDVC in their efforts to combat wildlife trafficking. These activities are explained in detail below.

Improved oversight by the SAV

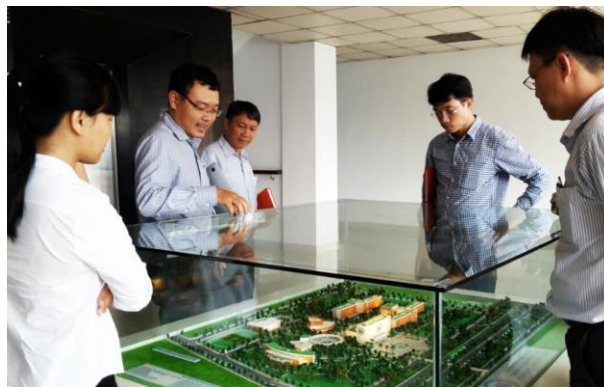
Increasing the capacity of auditors to conduct information technology audits.

Information technology audits are important to assess if the government's investments in information technology are aligned with the organization's overall goals, protect its assets, and ensure data integrity; and that the information technology audits complement the SAV's compliance, financial, and performance audits. Under a subcontract with the GIG Program, the SAV worked with KPMG to develop a draft Information Technology Audit Manual during the first quarter of FY 2018. The manual has been posted on SAV's website for review and comment by government ministries through February 5, 2018. (*Subcontract SAV009*)

Facilitate broad-based growth through effective public financial management

Improving Vietnam's management of its natural resource tax. Vietnam seeks to improve the effectiveness of its natural resource tax to increase state revenue while sustaining the country's natural resources. To this effect, the MOF and the GIG Program conducted a series of field visits on October 4-13, to study the management of Vietnam's natural resource, including: tax registration by provincial-level agencies; and natural resource tax contributions by companies in the extractive industry. This evidence-based assessment on the management of the natural resource tax will contribute to the development of policies regulating the management of Vietnam's natural resource tax, and contribute to effective and transparent public administration and financial management. (*MOF012.2*)

Increasing the efficiency of local development funds for socio-economic development. The MOF and MPI are collaborating to improve the efficiency of local development investment funds, which finance investment projects for socio-economic development at the local (provincial) level. To support this effort, the GIG Program is working with MPI to review the performance of local development investment funds, and to strengthen the department's oversight of the funds' performance and, in this way, contribute to increasing the transparency and accountability of public institutions. A field survey, conducted on October 23-26, reviewed the current performance of Ho Chi Minh City's local development investment fund, and provided recommendations to improve the efficiency of socio-economic development funds in Vietnam. (*MPI032.b*)



As part of a field survey, the GIG Program and representatives from the University of Economics and Law in Ho Chi Minh City discuss how the local development investment fund has been used for investments in the university's infrastructure. (MPI032.2) Photo by Ms. Mai Tran, GIG Program.

Developing high-quality policies: Under a subcontract with the GIG Program, Victoria University trained and coached researchers of the Core Analyst Group (CAG) of the National Institute of Finance on tax policy analysis applying the Computable General Equilibrium (CGE) economic model. In the first quarter of FY 2018, the CAG completed a policy analysis report applying the CGE economic model to determine the impact of

domestic value-added tax reform on state revenue. Coaching National Institute of Finance researchers on sound quantitative macro-economic analysis helps to develop high-quality financial policies and to evaluate the impact of international economic integration and tax policies on the state budget. (*Subcontract MOF011*)

Improved government coordination with the public

Enhancing the capacity of the NA to connect with voters and improve transparency.

Five Star Media, a GIG Program subcontractor, has improved the functionality of the “Connecting Voters” webpage — an important section of the NA’s Internet Portal to connect Deputies and the public, and to answer questions from voters. The “Connecting Voters” new webpage can be accessed via this link: <http://knct.mine.vn/>. Improved communications between citizens and the NA strengthens the rule of law and enhances transparency. (*Subcontract NA029*)

Combating wildlife trafficking

Strengthening the capacity of prosecutors to manage criminal cases relating to wildlife. Building on the comprehensive review of criminal cases relating to wildlife trafficking that have been prosecuted in 2012-2016, and a training program which began in 2016, the SPP and GIG Program conducted a follow-on training program on October 2-3 and October 6-7, for current and future prosecutors, and SPP’s trainers. The courses strengthened the capacity of the SPP to investigate and prosecute crimes related to wildlife trafficking, and train prosecutors of crimes related to wildlife trafficking in the future. Skilled prosecutors will improve the management of criminal cases relating to wildlife and help save endangered and endemic species in the country, while ensuring the application of the rule of law. (*CWT012A.2*)



Future prosecutors during a training program to strengthen their skills to manage criminal cases relating to wildlife. (CWT012A) Photo by: GIG Program

Assessing the capacity of customs officials to combat wildlife trafficking. In support of a deeper analysis of the duties, responsibilities, and systems of the GDVC to combat wildlife trafficking, to identify gaps in the GDVC’s capacity, and to strengthen cooperation between relevant stakeholders, the GIG Program and the GDVC conducted a capacity assessment in October 2017. The training program targeted customs officials at the central and provincial levels to inform the design of a training program to improve the GDVC’s efforts to combat wildlife trafficking. Better skilled customs officials will be able to detect and more effectively combat wildlife trafficking and help save endangered and endemic species in the country in a more effective way, while ensuring the application of the rule of law. (*CWT004.1*)

Component 3: Improved Inclusion and Expanded Opportunity for Vulnerable Populations

Activities under Component 3 during the first quarter of FY 2018 reduced legal and regulatory barriers for vulnerable groups, and strengthened economic inclusion for SMEs and cooperatives. The GIG Program and its counterparts led the following initiatives during the first quarter of FY 2018:

Policy and legal barriers for marginalized groups



The Legal Handbook on the Personal and Property Rights of Vulnerable Groups. (MOJ052)

Reducing legal barriers for vulnerable groups. In FY 2017, the GIG Program finalized a legal handbook explaining: the basic human rights of vulnerable groups; the state's obligations and current policies concerning the rights of vulnerable groups; and proceedings and legal services for the exercise and protection of rights of vulnerable groups. In November 2017, the handbook received approval at the department level (i.e., Department of Economic-Civil Legislation, MOJ) and was sent for final approval by the MOJ's leaders. The handbook will be used to explain personal and property rights, such as: residential registration; marriage and family; participation in civil transactions; ownership and inheritance; etc. The handbook reduces legal barriers for ethnic minorities; the poor; people with disabilities; persons with limited cognitive or behavioral control; people living with HIV/AIDS; drug addicts; and lesbian, gay, bisexual, and transgender individuals; and promotes equality, justice, and inclusiveness. (MOJ052)

Building capacity on the service of legal documents. As a recent signatory, Vietnam has been facing difficulties implementing The Hague Service Convention — a multilateral international agreement which simplifies service of court documents between countries party to the convention. Almost half of the dossiers (e.g., dossiers for foreign service related to marriage and family; distribution of property, etc.) submitted by provincial authorities to the MOJ since October 2016 were returned because they did not meet the required standards, leading to delays and, as a result, reduced time available for the resolution of disputes through the courts. MOJ's Department of International Law and the GIG Program conducted two training programs on October 16-17 and 19-20 in Hanoi and Ho Chi Minh City, to improve the capacity of government and judicial officials at the provincial level on the implementation of the convention. Building this capacity is pivotal to Vietnam's deeper integration into the global economy and its inclusive growth. (MOJ082.1 and .2)



Judicial officials during a training program to improve the implementation of The Hague Service Convention. (MOJ082). Photo by: GIG Program.

Evaluating policy implementation in support of access to justice. The Government of Vietnam's 2011-2020 State Administration Reform Master Program seeks to increase the satisfaction of citizens and enterprises with the quality of services provided by state administrative agencies to more than 80 percent by 2020. To assess the current level of satisfaction, the MOJ and the GIG Program carried out a field survey on October 20-25,

to evaluate public services provided specifically by the justice sector (i.e., issuance of birth and death certificates and judicial records, notary public services, and certifications). Gathering quality information and conducting analyses to evaluate policy implementation increases the transparency on policy implementation and access to justice in Vietnam. (*MOJ083*)

Development of inclusive business approaches

Reviewing the implementation of the 2012 Law on Cooperatives. As part of its collaboration with the MPI, the GIG Program finalized a report summarizing findings from field surveys conducted in 2017, on the review of the first five years' implementation of the 2012 Law on Cooperatives, and to inform the drafting of a decree to guide the law's implementation. A decree clarifying the implementation of the 2012 Law on Cooperatives supports the government's development of cooperatives to further grow its economy and to promote the inclusion of the poor. (*MPI033*)

Supporting the implementation of the 2017 Law on Support of SMEs. Legal information and services for SMEs are vital to reduce corporate disputes and administrative complaints, and help improve regulatory compliance. The 2017 Law on Support of SMEs specifies state responsibilities towards SMEs, including the development and maintenance of a legal database; and the establishment of legal support programs to provide counselling, information, and training to SMEs. To support the implementation of the new law, and to help SMEs get the legal support and advice they need to thrive, together with the Department of Civil and Economic Laws of the MOJ, the GIG Program conducted a series of field visits on October 2-5 and 9-12, to assess the current government legal support to SMEs and strengthen the implementation of the 2017 Law on Support of SMEs. (*MOJ071.1*)

IV. MONITORING, EVALUATION, AND LEARNING

Indicator results

The GIG Program has a total of 20 indicators of which 17 are monitored each quarter, and three annually. Table 1 below shows that out of the 17 indicators monitored on a quarterly basis *and with targets for FY 2018's first quarter*, 5 surpassed their targets, 3 met its targets, and 2 underachieved. Each underachieved indicator in Table 1 is followed by an explanation of any challenges affecting the results.

Table 1. FY 2018 Quarter 1 (Q1) Indicators*: Target versus Actual Results

Surpassed		Q1 Target	Q1 Result
1	ID4. Number of evidence-based policy analyses conducted with United States Government (USG) support.	3	5
2	ID6. Person hours completed in capacity building events supported by the GIG Program.	6,000	6,238
3	ID10. Number of GIG Program-supported activities to increase transparency on policy implementation in Vietnam.	1	3
4	ID14. Number of people trained in sustainable natural resources management and/or biodiversity conservation as a result of USG assistance.	0	179**

5	ID18. Number of GIG Program-assisted activities to enhance policy development process.	1	2
Met		Q1 Target	Q1 Result
6	ID1. Number of policies/laws/regulations/procedures drafted, revised, and/or adopted to enhance governance and/or facilitate private sector participation and competitive markets as a result of GIG Program assistance.	2	2
7	ID7. Number of public-private partnerships formed and/or strengthened as a result of the GIG Program's assistance.	1	1
8	ID17. Number of information systems established or substantially upgraded with GIG Program support.	1	1
Underachieved		Q1 Target	Q1 Result
9	ID16. Number of GIG Program-supported public consultation events to improve Vietnam's legal and regulatory framework. <i>Explanation: The GIG Program had planned to conduct additional public consultations in the first quarter of FY 2018, but these were postponed as requested by counterparts and will be conducted later in FY 2018.</i>	4	1
10	ID20. Number of GIG Program-supported activities designed to increase access by target groups to productive economic resources (assets, credit, income, or employment) and legal facilities. <i>Explanation: While the GIG Program conducted field studies in the first quarter to gather information about access to government legal support services by SMEs, the final report will not be available until the second quarter of FY 2018.</i>	1	0
No targets in the first quarter***		Q1 Target	Q1 Result
11	ID5. Number of activities to support executive oversight process receiving USG assistance.	0	0
12	ID8. Number of vulnerable people reached by USAID-supported programs that promote health, social and economic opportunities.	0	0
13	ID9. Number of laws, policies or procedures drafted, revised and/or issued to support inclusion of vulnerable population.	0	0
14	ID11. Number of training sessions on audits for staff from relevant GIG Program partners.	0	0
15	ID12. Number of USG assisted civil society organizations that participate in legislative proceedings and/or engage in advocacy with national legislature and its committees.	0	0
16	ID15. Number of legal instruments drafted, proposed or adopted with USG assistance designed to promote gender equality or non-discrimination against women or girls at the national or sub-national level.	0	0
17	ID19. Number of GIG Program-supported activities designed to strengthen the budget process.	0	0

Source: Monitoring, Evaluation, and Learning Data (Annex I)

* For additional details of all indicators, see Annex I.

** The difference between the target of zero participants and a result of 179 participants was due to two CWT012A training programs originally scheduled to be conducted in the fourth quarter of FY 2017, which were approved to be postponed until the first quarter of FY 2018 by the PMU. This change occurred after the indicator targets for FY 2018 had already been approved by USAID.

*** All indicators monitored on a quarterly basis are included in the table for consistency purposes, even if their targets for the first quarter of FY 2018 were zero.

Overall, the GIG Program carried out a total of 10 events (i.e., four workshops and six training programs), with a total of 639 participants — 61 percent male and 39 percent female — and a total of 6,238 person hours of capacity building.

Contract deliverables Q1 FY 2018

Contract deliverables submitted to USAID during the reporting period included:

- FY 2017 (Year 4) Annual Report (October 1, 2016 – September 30, 2017), including Quarter 4 Report (July 1, 2017 – September 30, 2017)
- FY 2018 (Year 5) AWP5 Narrative, including: List of Activities by Counterpart and GANTT Chart; Monitoring and Evaluation Plan; and Estimated GIG Program Budget by Expected Results and Key Result Areas
- 12 Weekly Bullets
- 1 Success Story: “Businesses and Workers Benefit from Tax Reforms” (see Annex III)

Gender

In the first quarter of FY 2018, the handbook on the personal and property rights of vulnerable groups — including women; and lesbian, gay, bisexual, and transgender (LGBT) individuals — received approval at the department level (i.e., Department of Economic-Civil Legislation, MOJ) and was sent for final approval by MOJ’s leaders. The handbook is an easy-to-follow reference tool for individuals to use when claiming and exercising personal and property rights.

Also in the first quarter of FY 2018, HLU launched its Policy Impact Assessment syllabus for the “Applied Masters Training Program in Constitution and Administrative Legislation.” The syllabus applies the Policy Impact Assessment Manual developed in 2016 by the MOJ and the GIG Program to assess the impact of laws on social, economic, procedural, and gender and other inclusion reforms. The institutionalization of these training materials equips future graduates with skills to assess, among other areas, gender impact in policymaking, thereby reducing legal barriers to women and improving their equal access to social and economic opportunity.

Moreover, the GIG Program and its counterparts began planning new initiatives in support of gender equality, to be conducted in the second quarter FY 2018. For example, the GIG Program worked with the NA’s Finance and Budget Department and United Nations (UN) Women to plan a training program to be conducted in January 2018, to raise the awareness and improve the capacity of provincial representatives and NA deputies’ support staff on gender budgeting approaches in the appropriation and use of public funds. This activity will support the implementation of the 2015 State Budget Law and further promote gender equality in Vietnam.

Other activities that began in FY 2017 had the following updates. On November 8, the MOJ and various other ministries reviewed the draft ‘Decree on Guiding Some Provisions in the 2017 Law on Support of SMEs,’ which the Office of the Government had reviewed in December 2017. MPI’s Agency for Enterprise Development and the GIG Program collaborated in 2017 to conduct a policy impact assessment of the decree — including an analysis on gender impact — and consulted SMEs and the government to inform the drafting of the decree, which is expected to be approved in January 2018.

Also, the GIG Program supported the Vietnam Association for Woman Entrepreneurs (VAWE) to finalize a grant proposal, entitled: “Annual forum and training for female executive directors on leadership and business development skills,” designed to collaborate with the Vietnam Women’s Union, MPI, and MOST to spur a network of women entrepreneurs that fosters mentoring and promotes innovative business start-ups among women entrepreneurs. Finally, the GIG Program continued working with the Center for Counseling on Laws and Policies on Health and HIV/AIDS (CCLPHH) on the grant to conduct an “Evidence-based study on issues of LGBT individuals, to provide information and recommendations to the development of the new, proposed Law on Transgender.” The study is planned to be completed in May 2018, and it will inform the law’s policy impact assessment currently under development by the Ministry of Health. The new Law on Transgender is expected to be reviewed by the NA in 2019.

V. FINANCIAL INFORMATION

Strict cost-management procedures and cost sharing with counterparts, such as sharing the costs of training programs, continued to be successfully implemented to complete more work plan activities and promote sustainability. Coordination with the PMU in the development of DTAs and activity implementation continued to be focused on reaching agreement on the number, scope, and timeline of activities to be approved and staying within the available budget of the GIG Program.

VI. PROJECT ADMINISTRATION

Constraints and critical issues

There were no constraints or critical issues during the reporting period.

Personnel

There were no changes in the organizational structure during the reporting period. Staff recruitments and departures during the first quarter of FY 2018 are listed below:

Staff Position	Change
Governance and Accountability Manager	Resigned: September 9, 2017
Senior Administrative Officer	Resigned: October 25, 2017
Administrative Officer	Joined: November 13, 2017
Public Finance Management Program Manager	Joined: December 1, 2017
Accounting Officer	Joined: December 4, 2017

The Program has contingency plans in place to sustain the quality of implementation in the event of early departures of staff.

Changes in the project

There were no changes in the project during the reporting period.

Contract modifications and amendments

Modification #10 to increase the project’s incremental funding was signed by Chemonics International, Inc. on October 31, 2017, increasing the GIG Program’s total obligation from \$33,939,902.57 to \$38,939,902.57.

VII. LESSONS LEARNED AND SUSTAINABILITY

Lessons learned

By dedicating more resources specifically to managing relations with the PMU during the first quarter of FY 2018, the GIG Program has experienced improved coordination, which contributed to one of the fastest approvals by the PMU to date of the annual list of activities with counterparts. The GIG Program will continue its regular reporting with the PMU, as well as advocating for monthly coordination meetings.

Sustainability

The DTA planning and development process between the GIG Program and its counterparts during the first quarter of FY 2018 continued to identify ways in which counterparts can adapt and continue to enhance governance to facilitate broader-based, sustainable growth, through practices promoted by the GIG Program (i.e., cross-sectoral government coordination and more active engagement with civil society and the public), while setting goals that are manageable within their means. This approach will continue during the DTA planning and development process in future quarters.

Moreover, on December 20, the GIG Program submitted a plan to USAID/Vietnam describing a monthly series of inter-governmental seminars based on the work conducted from the beginning of the Program in 2013. Beginning in January 2018, each seminar will focus on a different topic (e.g., policy impact assessment, Law on Support of SMEs, Law on Legal Aid, use of precedent, etc.). The seminars will build sustainability by sharing experience and lessons learned among counterparts, the GIG Program, and other stakeholders such as civil society organizations, business associations, among others.

One example of sustainability achieved during the first quarter of FY 2018, was the launching in November 2017 of HLU's Policy Impact Assessment syllabus for the "Applied Masters Training Program in Constitution and Administrative Legislation." The syllabus applies the Policy Impact Assessment Manual developed in 2016 by the MOJ and the GIG Program to assess the impact of laws on social, economic, procedural, and gender and other inclusion reforms, thereby equipping future graduates with skills that will improve policymaking for years to come (see Page 5 for more details).

In 2017, the GIG Program successfully refocused the message of sustaining the reforms initiated by the Trans Pacific Partnership (TPP) within the context of other new generation trade agreements, particularly the WTO TFA, which came into force in 2017, and domestic reforms such as Resolution 19. As per discussions during the Asia-Pacific Economic Cooperation Summit held in Vietnam from November 8–10, 2017, Vietnam is joining a redefined TPP agreement with the other ten remaining countries, sustaining its earlier TPP commitments supported through the GIG Program, and continuing with private sector reforms towards further inclusive economic growth. Hence, despite setbacks, the focus on building leadership and support for underlying reforms promoted by the TPP are being sustained, and the GIG Program's support on trade facilitation not only is being sustained, but gaining momentum.

ANNEX I: MONITORING, EVALUATION, AND LEARNING DATA

Indicator	Year 5/ FY 2018 Target	Q1 Target	Q1 Actual	Notes Q1-Year 5/FY 2018
ID1: Number of policies/laws/regulations/procedures drafted, revised and/or adopted to enhance governance and/or facilitate private sector participation and competitive markets as a result of GIG assistance	10	2	2	<p>Two laws and regulations were issued during the quarter:</p> <p>1 - The revised Law on Forestry was passed on November 15, 2017. (CWT009)</p> <p>2 - Circular 28/2017-TT-BCT on the amendment, supplement, and annulment of circulars in the areas of petroleum trading, conformity assessment and import export under statement management of MOIT was issued on December 8, 2017. (MOIT011)</p> <p>The following laws and regulations will be recorded after further developments:</p> <ul style="list-style-type: none"> - Decree 38 on specialized management in the area of food safety will be issued in early 2018. (MPI030) - Decree 08 guiding the implementation of 2014 Customs Law is being revised and expected to be issued in early 2018. (TFA011) - A circular revising Circular 38/2015/TT-BTC on customs procedures and a new circular on the verification of origin for imported and exported goods are expected to be issued by the MOF in early 2018. (TFA013) - The draft strategy for the development of Vietnam's domestic market was submitted and expected to be issued by March 2018 in the form of a Prime Minister Decision. (MOIT013/025) - Circular 58/2014/BCT on issuance and revocation of food safety certificates under the management of MOIT is being amended and will be issued by March 2018. (MOIT005) - Decree on tax invoicing is being drafted and is expected to be issued in early 2018. (MOF007/010) - The revised Law on Competition was submitted to the NA for debate in October 2017 and expected to be issued in June 2018. (MOIT022) - The decree on trade remedies guiding the Foreign Trade Law was submitted to the government for approval in January 2018. (MOIT020) - A new decree on National Single Window and specialized inspection in light of the WTO TFA, Resolution 19 of 2016, and the 2014 Customs Law is being drafted. (TFA018)
ID2: CPIA public sector management and institutions cluster average	3.6	N/A	N/A	Result is updated on an annual basis: end of September 2018.
ID3: Ease of Doing Business Rank	65	N/A	N/A	Result is updated on an annual basis: end of September 2018.

Indicator	Year 5/ FY 2018 Target	Q1 Target	Q1 Actual	Notes Q1-Year 5/FY 2018
ID4: Number of evidence-based policy analyses conducted with USG support	10	3	5	<p>The following reports were completed:</p> <p>1- Reports to provide inputs for the proposed strategy for domestic market development were completed. (MOIT013/025)</p> <p>2- The report on legal review of the old decree and recommendations for the new decree on collaborative groups were completed in December 2017. (MPI023)</p> <p>3- The review report on 2012 Law on Cooperatives was completed. (MPI033)</p> <p>4- The regulatory impact assessment report for the draft Decree on Trade Remedies and the report on international experience in trade remedies legislation were completed. (MOIT020)</p> <p>5- The report reviewing the list of imports and exports included in the category of “Group-2 commodities,” and the regulations on import product quality testing was completed. (MOST001)</p> <p>The following studies were drafted and will be recorded after finalized, including:</p> <ul style="list-style-type: none"> - The draft report to review the legal documents on property registration, propose the improvement, and assess the necessity of a decree or law on property registration, was submitted and will be finalized in March 2018. (MOJ065) <p>Updates of policy analyses recorded in past quarters:</p> <ul style="list-style-type: none"> - The report on update reform of the enforcing contracts and insolvency Doing Business indicators, to improve the business environment, was completed. -The report on public administration reform presenting Vietnam social security achievements, challenges, and solutions for successful ongoing reform, was completed. (MPI029+MPI030)
ID5: Number of activities to support executive oversight process receiving USG assistance	2	0	0	No target assigned for this quarter.
ID6: Person hours completed in capacity building events supported by GIG	30,000	6,000	6,238	A total of 6,238 person hours of capacity building were recorded this quarter.
ID7: Number of public-private partnerships formed and/or strengthened as a result of GIG assistance	1	1	1	One grant was signed during the first quarter of FY 2018, forming a partnership between a private organization, MDRI, and the GIG Program (the donor-funded implementing partner). The grant supports SMEs to access international markets through enhanced business-to-business connectivity and improved capacity. (GUC103)

Indicator	Year 5/ FY 2018 Target	Q1 Target	Q1 Actual	Notes Q1-Year 5/FY 2018
ID8: Number of vulnerable people reached by USAID-supported programs that promote health, social and economic opportunities	500	0	0	No target assigned for this quarter.
ID9: Number of laws, policies or procedures drafted, revised and/or issued to support inclusion of vulnerable population.	2	0	0	<p>The following laws and regulations were drafted and may be recorded after further developments:</p> <ul style="list-style-type: none"> - The draft prime ministerial decision to adopt community rules and traditions that are in line with national laws, to complement the existing legal framework governing communities was submitted to the government for review in October 2017 and will be issued in 2018. (MOJ072/73) - The revision of the 2005 Trade Law was not included in the 2017 or 2018 policymaking agenda of the NA, therefore, the draft decree on trade development in mountainous, remote, sea island and ethnic minority areas may no longer be needed. (MOIT009) <p>Updates of laws, policies, or procedures recorded in past quarters:</p> <ul style="list-style-type: none"> - The Law on Denunciations is being drafted and will be adopted in 2018. (VLA002) - The draft decree on collaborative groups was submitted and expected to be issued around May 2018. (MPI023) - Decree 144/2017-NDCP to guide on the implementation of the Law on Legal Aid was issued on December 15, 2017. (MOJ074) - The decree to guide the implementation of the Law on State Compensation Liability is being drafted and expected to be issued by May 2018. (MOJ044) - The draft guiding decree on some provisions of the Law on Support of SMEs was submitted to the government for review in October 2017, and will be approved in early 2018. (MPI036)
ID10: Number of GIG-supported activities to increase transparency on policy implementation in Vietnam	9	1	3	<p>1. A workshop on the compliance cost of business conditions and relevant issues was held in Ho Chi Minh City in September 2017 and the assessment report of compliance cost of business conditions in conformity assessment services and pharmaceutical business was completed. (MOJ059)</p> <p>2. Two training programs to improve the capacity of local government and judicial officials on the implementation of The Hague Service Convention were held in Hanoi and Ho Chi Minh City in October 2017. (MOJ082)</p> <p>3. The report on the current performance of local development investment funds and recommendations for improvements was completed. (MPI032)</p> <p>The following activity is in progress and will be recorded after completion:</p> <ul style="list-style-type: none"> - Two surveys to develop a scheme on measuring public satisfaction towards public services under the management of MOJ in 2017 to 2020 were conducted in Hue, Lam Dong and Ho Chi Minh City. The draft survey report was submitted. (MOJ083)

Indicator	Year 5/ FY 2018 Target	Q1 Target	Q1 Actual	Notes Q1-Year 5/FY 2018
ID11: Number of training sessions on audits for staff from relevant GIG partners	1	0	0	The following activity is in progress and will be recorded after further developments: - The task order for the information technology audit training program and the pilot audit by SAV were approved and the training materials drafted. The training program will take place in July/August at the request of SAV. (SAV009)
ID12: Number of USG assisted civil society organizations that participate in legislative proceedings and/or engage in advocacy with national legislature and its committees.	5	0	0	No target assigned for this quarter.
ID13: Time to export/import (days)	13/16	N/A	N/A	Result is updated on an annual basis: end of September 2018.
ID14: Number of people trained in sustainable natural resources management and/or biodiversity conservation as a result of USG assistance	100	0	179	Training programs on strengthening prosecutors' capacity to prosecute crimes related to wildlife trafficking (for pre-service and in-service prosecutors) were held in Hanoi and Ba Vi in October 2017 (CWT012a): 141+38 persons The following trainings will be recorded after delivery: - Training program for custom officers on advanced skills to improve the effectiveness of CWT efforts will be delivered in Jan/Feb 2018 (CWT004)
ID15: Number of legal instruments drafted, proposed or adopted with USG assistance designed to promote gender equality or non-discrimination against women or girls at the national or sub-national level	1	0	0	No target assigned for this quarter.
ID16: Number of GIG-supported public consultation events to improve Vietnam's legal and regulatory framework	16	4	1	1 - Workshop to review the list of imports and exports included in the category of "Group-2 commodities," and the import-export clearance regulations was held in Vinh Phuc in October 2017. (MOST001)

Indicator	Year 5/ FY 2018 Target	Q1 Target	Q1 Actual	Notes Q1-Year 5/FY 2018
ID17: Number of information systems established or substantially upgraded with GIG support	4	1	1	<p>1. The NA portal (http://knct.mine.vn/) was completed and is in operation. (NA029)</p> <p>Technical assistance on the following systems was still ongoing during the first quarter of FY 2018, and will be recorded after completed:</p> <ul style="list-style-type: none"> - The Instant Support System mobile application is being tested and will be completed by the end of March 2018. (NA038) - Two workshops to introduce the recommended interface options for the GDVC e-portal, and websites of local customs departments; and the provision of information on the specialized customs partnership, were held in Hanoi and Vung Tau in October 2017. The development of the customs-to-business interface in line with the overall development of a customs information portal will be conducted in 2018. (TFA002) - The gap analysis by Synergy was completed. The upgrade of the National Investment Information System's input reporting function was completed. The GIG Program is in discussion with Synergy regarding their engagement to upgrade the National Investment Information System's output reporting function. (MPI018).
ID18: Number of GIG-assisted activities to enhance policy development process	6	1	2	<p>1. Training program "Leadership and Governance for Provincial Transformation" in collaboration with MPI's Academy of Policy Development was conducted in Vinh Phuc in December 2017. (MPI037)</p> <p>2. Review of the harmonized system and legal documents on the specialized inspection of import and export goods and recommendations for revisions was completed, through a focus group discussion in Danang in December 2017. The expected result is the revised relevant regulations to further enhance trading across borders procedures and reduce clearance time. (TFA018)</p> <p>The following activity was started and will be recorded after completion:</p> <ul style="list-style-type: none"> - The GDVC is revising the revalidated list of Category B and C WTO TFA commitments; and the action plan of Category B and C commitments detailing activities, objectives, outputs, timeframe, required technical assistance, responsibilities of each agency, and coordination mechanisms; to submit to the Office of the Government for review and approval in January 2018 before submitting to the WTO Secretariat. (TFA010)
ID19: Number of GIG-supported activities designed to strengthen the budget process	2	0	0	<p>No target assigned for this quarter.</p> <p>The following activity is in progress and will be recorded after further developments:</p> <ul style="list-style-type: none"> - The reports on natural resource tax registration and on the contribution of the natural resource tax to the state budget are being finalized and will be completed in January 2018. (MOF012) <p>The status of activities recorded in previous quarters is as follows:</p> <ul style="list-style-type: none"> -The GIG Program provided coaching to the CAG's study on the value-added tax reform in Vietnam. CAG's study on the VAT reform will be completed in January/February 2018. (MOF011) -The citizen budget template was submitted under a subcontract with the Center for Development and Integration. (Subcontract)

Indicator	Year 5/ FY 2018 Target	Q1 Target	Q1 Actual	Notes Q1-Year 5/FY 2018
ID20: Number of GIG-supported activities designed to increase access by target groups to productive economic resources (assets, credit, income or employment) and legal facilities	4	1	0	<p>The following activity will be recorded after further developments:</p> <ul style="list-style-type: none"> - The study report to develop solutions for effective legal support for SMEs is being finalized and will be completed by March 2018. (MOJ071)

ANNEX II: DTA REPORT SUMMARY

No	DTA	DTA Title*	Team	Status as of December 31, 2017
1	MOF014	Research on Financial Policies for Special Economic - Administrative Zones	2	Under implementation
2	MOF015	Public finance reforms for enhancement of the economic competitiveness, promotion of integration, and broad-based development	2	Under discussion
3	MOF016	[Legal] dissemination and education to implement the commitments on financial integration, including dissemination of the Decrees issuing special tariffs for implementation of Free Trade Agreements (FTAs)	3	Not started
4	MOF006+ MOF013	01 short training workshop on impact analysis and assessment (with focus on financial services) for officials who are directly engaged in financial integration work	3	Under implementation
5	MOF017	Capacity building for or the MOF officers and officials to institutionalize/incorporate into domestic laws the international commitments under trade agreements concerning economic-financial sectors that fall within the MOF domain of management	2	Under discussion
6	TFA014	Establish a consultation forum, maintain consultation activities with business associations	1	Under discussion
7	TFA015	Study compliance management of import-export service enterprises	1	Under discussion
8	TFA016	02 training courses to build capacity for officers to implement compliance measurement programs	1	Under implementation
9	TFA017	Support capacity building on collecting and processing customs information: organizing one workshop to share US CBP experience on collecting and processing customs information.	1	Under implementation

No	DTA	DTA Title*	Team	Status as of December 31, 2017
10	TFA018	Review, in collaboration with ministries and agencies, revisions of Vietnam's legal normative documents on specialized management and inspection in response to Prime Minister's Decision No. 2026/QĐ-TTg, Government's Resolutions 19 (2016, 2017)	1	Under implementation
11	TFA019	02 training workshops on e-tax payment through coordinate banks and customs clearance 24/7 scheme	1	Under discussion
12	CWT004	Assessment of customs officers' need for information and capacity building on illegal wildlife trade prevention and combat	2	Under implementation
13	MOF018	Study and develop methods of segmentation of tax payers as a target for support service to improve tax compliance	1	Under discussion
14	MOF019	Develop and implement the Tax Compliance Program	1	Under discussion
15	MOF020	Study and develop tax payers support programs for the key target groups including small and micro enterprises; innovative start-ups	1	Under discussion
16	MPI038	Assessment of the current situation of regulations on business conditions and measures for improvement; consultation workshops on business conditions and recommendations for improvement	1	Not started
17	MPI039	Implementation of Resolution 19 of the government	1	Under implementation
18	MPI040	Study and propose measures to streamline regulations on business conditions according to Resolution 19	1	Under implementation

No	DTA	DTA Title*	Team	Status as of December 31, 2017
19	MPI041	Enhancing capacity in state management of co-op groups: (with a focus on the registration procedures and other regulations related to co-op groups provided in the new Decree that replaces Decree No. 151)	3	Under discussion
20	MPI042	Supporting the development of the co-op sector: - Study and development of a network within the co-op sector with a focus on promoting co-ops' participation in agricultural production value chains	3	Under discussion
21	MPI043	Development of an e-catalogue for public procurement purpose supported by national and international experts	2	Under discussion
22	MPI044	Pilot implementation of some focused support services including support for SMEs converted from household businesses, and support for SMEs joining industrial clusters and value chains (02 consultative workshops in order to formulate recommendations on start-up business assistance policies)	3	Under discussion
23	MPI045	Improving the regulations on SOE corporate governance reform toward international standards	3	Not yet started
24	MPI018	Training for government agencies and FDI businesses in operating the national investment information system (02 training workshops)	2	Under implementation
25	MPI046	Training on how local budget deficits affect local socio-economic development planning (03 training workshops)	2	Under discussion
26	MPI037	Training on transforming local governance for local development in Vietnam	1	Completed

No	DTA	DTA Title*	Team	Status as of December 31, 2017
27	MOJ084	Improve effectiveness of the Department of Legal Dissemination and Education, ensuring the right to legal information for ethnic minorities and people living in mountainous, remote, isolated, border, coastal, and island areas, regions with extremely difficult socio-economic conditions, victims of domestic violence, persons with disabilities, persons serving imprisonment sentences, persons sent to compulsory rehabilitation and educational establishments	3	Under discussion
28	MOJ085	Improve effectiveness of judicial management in the South	3	Not started
29	MOJ086	Consultation workshop on results of the 2nd round of systematization by MOJ	1	Not started
30	MOJ087	02 workshops on "Examination of legal normative documents by sources of information, current situation and solutions"	1	Not started
31	MOJ088	Enhance the specialized counseling skills of the legal consultants	3	Not started
32	MOJ089	Completion of the draft Decree amending Decree No. 77/2008/ND-CP	3	Not started
33	MOJ090	Study proposals for the socialization of serving of foreign documents in the civil field under the 1960 Hague Convention on Serving of Foreign Judicial and Non-Judicial Documents in the Civil or Commercial matters (Convention on service)	2	Under discussion
34	MOJ091	Study on measures to implement the provisions of the Civil Code in 2015 on the protection of the interests of disadvantaged parties in civil contracts	3	Under discussion
35	MOJ092	Support for the implementation of the 2017 Legal Aid Law	3	Under discussion

No	DTA	DTA Title*	Team	Status as of December 31, 2017
36	MOJ093	Enhance professional capacity and skills for legal aid providers (02 training courses on improvement of legal aid professional skills for criminal and civil cases)	3	Not started
37	MOJ094	Improve the capacity to support victims with exercising of the right to request for compensation under the State Compensation law 2017	3	Not started
38	MOJ095	Assessment of the implementation of Civil judgment enforcement arrangement for business and commercial cases and judgment enforcement against companies in Vietnam	1	Under discussion
39	MOJ096	Study and propose options for administrative procedure reform in order to improve the effectiveness and shorten the time of civil judgment enforcement	1	Under discussion
40	MOJ097	Support the implementation of the Project on Renovation and Improvement of the Effectiveness of Law Enforcement Arrangement	3	Not started
41	MOJ098	Development of Curriculum for Development and Application of Case Law	3	Under discussion
42	MOJ065	Study proposals for institutional completion of asset registration	1	Under implementation
43	MOJ099	Field Surveys to Support the Development of a Policy Analysis Report on Property Registration	1	Under implementation
44	MOJ100	Study on finalization of regulations on the autonomy mechanism of public service delivery agencies in the justice sector	2	Under discussion
45	MOJ101	Fostering awareness, enhancing the advisory capacity of the Women Advancement Board of agencies and units under the Ministry of Justice	3	Not started

No	DTA	DTA Title*	Team	Status as of December 31, 2017
46	MOJ102	Completion of the Scheme to Measure People's Satisfaction with Public Services under the management of the Ministry of Justice in 2017-2020 period	3	Under discussion
47	CWT017	02 training conferences on the implementation of the provisions of the Penal Code and the Law on the Handling of Administrative Violations on Violations of the Regulations on Management and Protection of Wild Animals (follow-up 2017 activity).	2	Not started
48	MOJ103	Support the conclusion of 05 years of implementation of the Constitution	3	Under discussion
49	MOJ104	Annual Legal Forum 2018	3	Not started
50	MOJ105	Workshop to share results of GIG Project (for the purpose of Project conclusion) - 02 Workshops, themes to be decided based on the project review	3	Not started
51	MOIT028	Review of current business conditions and administrative procedures within the MOIT's purview for streamlining and trade facilitation	1	Under implementation
52	MOIT029	Review Business Conditions and Administrative Procedures under the MOIT's Portfolio	1	Not started
53	MOIT030	Strengthening the capacity to implement international commitments under the 1980 Vienna Convention on Contracts for the International Sale of Goods (CISG) pursuant to Decision No. 2588/2015/QĐ-CTN dated November 24, 2015 of the President of the State	1	Not started
54	MOIT027	Study on International Standards Regarding Vietnam's Key Exports to Global Distribution Network	1	Under implementation

No	DTA	DTA Title*	Team	Status as of December 31, 2017
55	MOIT031	Improving the awareness of the international commitments related to certain important service sectors	1	Under discussion
56	MOIT032	Conferences introducing to the Competition Law and its implementation (in two regions)	1	Not started
57	SAV009	Enhancing SAV capacity for IT audit	2	Under implementation
58	SAV012	Support to the Training on Environmental Audit for SAV	2	Under implementation
59	SAV013	Support to the Training on Audit of Annual State Budget Estimates for SAV	2	Under implementation
60	NA047	Workshop on Promoting the role of elected bodies in the prevention and control of corruption	2	Not started
61	NA048	Workshop on international experience sharing and consultation on Economic concentration; competition legal proceedings; state administration of competition and state administrative bodies of competition	1	Not started
62	NA049	Improvement of the Capacity of Elected Representatives and Support Staff on Gender-Responsive Budget Decision and Oversight	2	Under implementation
63	CWT014	Support a study to review the actual situation of propagation, rearing, rescue and conservation of wildlife species and recommend solutions to improving the legal framework for better management and implementation	2	Under discussion
64	NA050	Capacity building for NA Deputies of Legislature XIV on the ratification and oversight of implementation of Free Trade Agreements and the WTO Trade Facilitation Agreement	1	Under discussion
65	NA051	Compile a study report on "The new provisions of the 2017 Criminal Code and organization of implementation" (Research consultant)	3	Under discussion

No	DTA	DTA Title*	Team	Status as of December 31, 2017
66	NA052	Workshop on improvement of the coordination and counselling work in service of the oversight activities and implementation of the Oversight Regulations	2	Not started
67	NA053	Workshop on development of the framework for a training/retraining program for civil servants at the ONA (focus on those officials in charge of reviewing policies and legal documents)	2	Under discussion
68	NA054	Training workshop on media relation and communication crisis management skills during the operations of the NA (Consultants developing training materials and 01 Training workshop)	Comms	Not started
69	NA038	Continue the implementation of the ISS Project on mobile devices (HHT-2) Coordinate with an IT company to develop mobile IT applications via group direct discussion, emails, and meetings to provide the software company with information and data to develop appropriate applications in response to specific needs and requirements of the NA Library	2	Under implementation
70	NA055	Training conferences on public consultation for elected deputies	2	Not started
71	NA056	Develop procedures for a hearing - Development of the procedures by consultant(s) - Seminar to improve the procedures - Training workshop on the skills to conduct a hearing for ministries and related agencies	2	Under discussion
72	CWT013	Support the study of environmental crime related provisions of Criminal Code (01 Workshop and consultant)	2	Under discussion
73	CWT015	Training workshops on procedures and skills for exercising prosecutorial powers and supervising law observance in seizure, temporary detention and handling of physical evidence being wildlife species, and rare, precious, and endangered animal species subject to the priority protection list; individuals or body parts or products of rare, precious and endangered species of animal; and evidence being alien plants; wildlife, rare, precious and endangered plants	2	Under discussion

No	DTA	DTA Title*	Team	Status as of December 31, 2017
74	SPC004	Training to build capacity for the judiciary in resolving contract disputes and handling bankruptcy cases for better business climate and improved national competitiveness	1	Under discussion
75	CWT016	Building the Capacity of the Supreme Peoples' Court and the Justice Sector to Prosecute Wildlife Crimes	2	Under discussion
76	IAC001	Study on international experiences on anti-corruption in non-government sector	1	Not started
77	VLA003	Support VLA in preparing reports providing comments on draft Law to amend a number of provisions in the Education Law, draft Decree to amend Decree No. 77	3	Under discussion
78	CEC003	Support the formulation of the project on "Strategy for developing Vietnam's financial market for period of 2018 - 2020 and vision up to 2030	1	Not started
79	CWT010	Establish procedures for the Vietnam-WEN network	2	Under implementation

*The wording of DTA titles may change upon approval.

ANNEX III: SUCCESS STORY: VIETNAMESE BUSINESSES AND WORKERS BENEFIT FROM TAX REFORM

Note: This is the final draft version of a Success Story submitted to USAID on December 29, 2017 for review and approval. USAID's approval was still pending at the end of the reporting period.

Vietnamese Businesses and Workers Benefit from Tax Reform

Field studies provide evidence to drive reforms: “They were real stories; to make good policy, we need to understand the reality.”



Photo: Ms. Nguyen Thi Cuc speaks to the mass media at the conference on the implementation of Resolution 19/2017 to improve the business environment and enhance national competitiveness. (Photo Credit: GIG Program)

“I remember when tax departments would be crowded with accountants clutching forms,” recalled Mrs. Nguyen Minh Thao, Head of the Business Environment and Competitiveness Department of the Central Institute for Economic Management (CIEM) at the Ministry of Planning and Investment.

Those were the days when businesses had to queue for hours to file their taxes. Complying with complicated procedures, which required businesses to make 32 separate payments, could consume up to 872 person-hours per year. According to the World Bank's Doing Business Report 2017, Vietnam ranked a lowly 172nd of 189 countries for ease of paying taxes.

USAID began working in collaboration with CIEM in 2014 to reform administrative procedures for paying taxes, including employee social security contributions. USAID has been pivotal in driving the reforms that saw Vietnam's ranking jump by an astonishing 81 places in the 2018 Doing Business Report, from 172nd up to 86th. In Thao's view, USAID's main contribution was twofold; its expertise in international best practices and its support for field studies.

USAID worked closely with CIEM and Social Security Vietnam, engaging renowned experts to share knowledge and raise awareness on tax reform, and conducting field studies in different regions to improve understanding of the difficulties businesses faced on the ground. This knowledge and evidence-based approach was a driving force for reform.

“These activities provided evidence on which to base reforms and convince policy makers,” said Ms. Thao. “They were real stories; to make good policy, we need to understand the reality.”

Nowadays, tax departments across the country are mostly deserted —online platforms for filing tax and social security payments have put paid to the bustling queues. Reforms to tax laws and procedures have seen the number of separate payments reduced to 14, saving businesses up to 374 person-hours each year.

But it is not only businesses that have benefitted. The online platform for social security payments has also provided much needed transparency for workers. For the first time, workers can track the status of their social security payments. “Even a taxi driver or a manual worker can track their social security status online in just a few clicks. They can easily check that their employer has fulfilled their obligation to pay employee social security contributions,” said Ms. Nguyen Thi Cuc, Chairwoman of the Vietnam Tax Consultants' Association.

The reforms have benefitted both employers and workers, enhancing the competitiveness of businesses while ensuring that workers have access to essential social services.

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