

VIET NAM

NATIONAL EXPORT ROADMAP

TRADE FACILITATION
CROSS SECTOR FUNCTION

Acknowledgements and disclaimer

This document was developed under the aegis of Viet Nam's Ministry of Industry and Trade (MoIT) following the leadership of the Planning & Finance Department and the Foreign Trade Agency with the technical assistance of the International Trade Centre (ITC). The purpose of the document is to orient Viet Nam's future trade development. The findings in the document are based on extensive research and the result of several national and sector stakeholder consultations. The document summarizes the trade and competitiveness performance of Viet Nam and contains a detailed plan of action to guide its further development and future upgrading. This document was shared and taken into the Vietnam National Import-Export Strategy period to 2030, its National and Ministerial Action Plans. The document was developed following the process, methodology and technical assistance of the International Trade Centre (ITC) within the framework of its Trade Development Strategy programme.

This National Trade Strategy was developed following the process, methodology and technical assistance of the International Trade Centre (ITC) within the framework of its Trade Development Strategy programme.

ITC is the joint agency of the World Trade Organization and the United Nations. As part of the ITC mandate of fostering sustainable development through increased trade opportunities, the Research and Strategies for Export (RSE) section offers a suite of trade-related strategy solutions to maximize the development payoffs from trade. ITC-facilitated trade development strategies and roadmaps are aligned to the trade objectives of a country or region and are oriented to the achievement of specific economic aims, development goals or competitiveness targets, according to the country's priorities.

The views expressed herein do not reflect the official opinion of ITC, SECO or the MoIT. Mention of enterprises, products and product brands does not imply the endorsement of these organizations. This document has not been formally edited by ITC.

Abbreviations and acronyms

| | | | |
|----------------|---|----------------|---|
| AEC | ASEAN Economic Community | ICT | Information and Communication Technologies |
| AEM | ASEAN Economic Ministers | IT | Information Technology |
| AFTA | ASEAN Free Trade Agreement | ITC I | International Trade Centre |
| AMSs | ASEAN Member States | MOF | Ministry of Finance |
| APEC | Asia-Pacific Economic Cooperation | MOIT | Ministry of Industry and Trade |
| ASEAN | Southeast Asian Nations | MOU | Memorandum of Understanding |
| ASW | ASEAN Single Window | NSW | National Single Window |
| ATFF | ASEAN Trade Facilitation Framework | NSC | National Steering Committee |
| ATF-JCC | ASEAN Trade Facilitation Joint Consultative Committee | NTFC | National Trade Facilitation Committee |
| ATIGA | ASEAN Trade in Goods Agreement | SI | Specialized Inspections |
| CBTA | Cross-Border Transport Facilitation Agreement | TFA | Trade Facilitation Agreement |
| CPTA | Cross-border Paperless Trade in Asia and the Pacific | UNCTAD | United Nations Conference on Trade and Development |
| EAEU | Eurasian Economic Union | VACAPCS | Viet Nam Automated Cargo and Port Consolidated System |
| FTA | Free Trade Agreement | VCIIS | Viet Nam Customs Intelligence Information System |
| GDVC | General Department of Viet Nam Customs | WCO | World Customs Organization |
| GMS | Greater Mekong Subregion | WTO | World Trade Organization |
| ICT | Information Communication Technology | | |
| IRU | International Road Transport Union | | |

Table of Contents

| | |
|--|-----|
| ACKNOWLEDGEMENTS AND DISCLAIMER | II |
| ABBREVIATIONS AND ACRONYMS | III |
| EXECUTIVE SUMMARY | 1 |
| INTRODUCTION | 4 |
| GLOBAL CONTEXT: THE MOVE TO INNOVATION, INCLUSIVENESS, AND COOPERATION | 5 |
| TRADE FACILITATION IN VIET NAM | 10 |
| MAP OF A TYPICAL INTERNATIONAL TRADE TRANSACTION | 16 |
| COMPETITIVENESS CONSTRAINTS | 18 |
| POLICY AND REGULATORY ISSUES | 19 |
| BUSINESS ENVIRONMENT ISSUES | 21 |
| ENTERPRISE-LEVEL ISSUES | 23 |
| THE WAY FORWARD | 24 |
| VISION | 24 |
| STRATEGIC ORIENTATION | 24 |
| KEY AREAS FOR ACTION | 26 |
| IMPLEMENTATION MANAGEMENT | 27 |
| PLAN OF ACTION | 29 |
| REFERENCES | 36 |
| ANNEXES | 38 |

List of Figures

| | |
|--|----|
| Figure 1: Trade facilitation principles | 4 |
| Figure 2: Global implementation of trade facilitation measures, 2019 and 2021 | 7 |
| Figure 3: High-level overview of institutional TF system in Viet Nam (simplified) | 12 |
| Figure 4: Viet Nam's implementation of trade facilitation measures in 2015-2021 | 14 |
| Figure 5: Summary of competitiveness constraints | 18 |
| Figure 6: Strategic and operational objectives | 24 |

List of Tables

| | |
|---|----|
| Table 1: Key WCO indicators for trade facilitation for achieving excellence in customs | 6 |
| Table 2: Key high-level strategies and plans with reference to trade facilitation | 10 |
| Table 3: Viet Nam: Trade facilitation indicators simulator | 11 |

List of Boxes

| | |
|--|----|
| Box 1: SME perspective on trade facilitation | 5 |
| Box 2: Targeting centres in risk management process | 7 |
| Box 3: Improving national standards and accreditation bodies to facilitate compliance with SPS requirements | 8 |
| Box 4: Trade facilitation at the time of global emergency | 8 |
| Box 5: Main trade information portals in Viet Nam | 13 |



Photo: Links, pexels-meruyert-gonullu-6243331.jpg

Executive summary

The Trade Facilitation Strategy of Viet Nam is a national blueprint aimed at an improved trade facilitation performance, built on reciprocity and mutual recognition of cross-border trade.

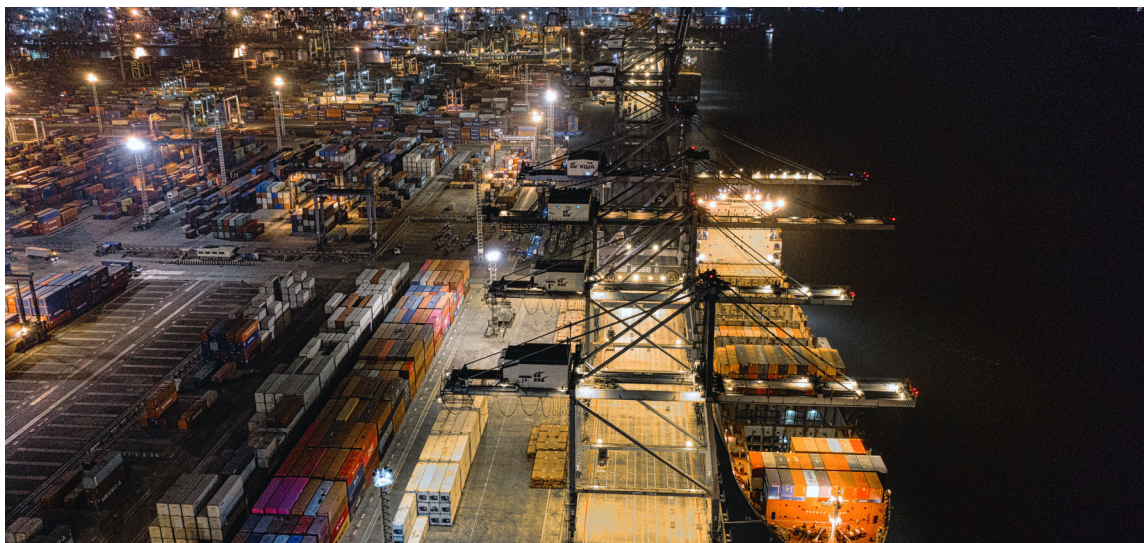
The five-year Strategy was developed through a series of online consultations between public and private sector stakeholders. It defines a clear vision and a set of concrete actions to enhance the role of trade facilitation for Viet Nam's benefit and positioning in the region. Optimization of risk-based procedures, strengthening institutional cooperation, enabling digital trade facilitation are essential to level up the current performance. To achieve the Strategy's targets, stakeholders will need to implement and coordinate specified actions, monitor progress, and mobilize necessary resources.

Trade facilitation has emerged as a key factor for international trade efficiency and the economic development of countries. This is due to its impact on competitiveness, market integration and its increasing importance in attracting foreign direct investment. The worldwide distribution and sourcing cycles, characterised by quality logistics services and the emergence of e-business, has prompted governments to ensure efficient, fast, and reliable border crossing and clearance procedures. The fundamental principles of trade facilitation are transparency, simplification, harmonization, and standardization, currently reinforced by digitalization.

Recent years have seen a growing number of national, regional, and international initiatives to facilitate trade across borders. Recognizing the relevance of trade facilitation for export performance, governments prioritize this topic in their trade-related strategies and establish dedicated institutional mechanisms. Stand-alone or integrated as part of broader strategic documents, trade facilitation is a contributing cross-cutting factor for an enabling business environment. According to the estimates, \$1 of aid for trade facilitation translates into \$70 in exports for recipients.¹

Viet Nam has far-reaching trade facilitation commitments and initiatives at the international, regional, and national levels. Determined to increase efficiency of trade procedures on par with advanced economies, the country has significantly progress over the last 5 years in implementing its trade facilitation agenda, including within the ASEAN framework. To date, the efforts have mainly targeted the simplification of requirements and processes, enhancing the effectiveness of risk management, harmonisation of rules' implementation across the country, and digitalization of import-export procedures. The recently emerged priorities also include stronger inclusion of the business community, interoperability and synchronization of electronic systems, international cooperation.

1.— Helble, Mann and Wilson. 'Aid-for-trade facilitation'.



Links, pexels-tom-fisk-3075996.jpg

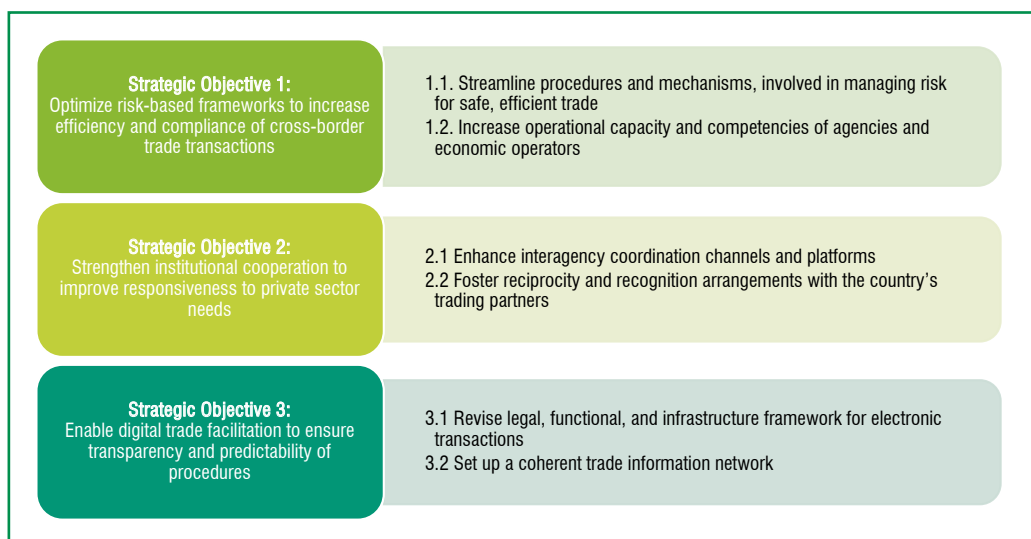
Multiple competitiveness constraints are found to affect Viet Nam's shortand medium-term performance in trade facilitation. At the policy and regulatory level, an incomplete and fragmented legal framework affect the implementation of risk management, in particular specialized inspection, the application of AEO programme, the processing of expedited and low value shipments, and the use of paperless trade solutions. Limited formalization of reciprocity and mutual recognition with other countries results into double conformity assessments, overlapping requirements, and at times the rejection of goods at the port of destination. As for the institutional level, areas of concern cover public-private dialogue and stronger engagement with the business community, border agency cooperation, service provision under the NSW, the coherence of trade intelligence network. From the enterprise perspective, key issues arise from insufficient awareness, knowledge, and capacities related to export-import procedures.

This Strategy aims to firmly establish foundations upon which the country can enhance its position as a trusted trade partner with smart and efficient trade facilitation solutions. Such a transition requires a deliberate and coordinated set of responses structured around a clear vision, reinforced through achievable strategic objectives, and attained through a series of concrete actions set in the Plan of Action (PoA). In the short-term, the PoA defines activities aimed at a robust risk-based framework, based on efficient, transparent, and informed processes, enhanced cross-border paperless solutions, and a regular and well-coordinated interaction of multiple agencies. Medium-term activities target the establishment of stronger cross-border institutional coordination, mutual recognition network with partner countries, smart inter-connected digital platforms, enabled to exchange data with external partners.

As a result of a public-private consultation process, the following is a delineation of the proposed vision and strategic approach in this direction, agreed with relevant stakeholders.

“ Viet Nam – a trusted gateway into regional markets:
moving goods faster, smarter, smoother ”

The vision will be transformed into concrete results through the achievement of three strategic objectives. These objectives begin the process of focusing and prioritizing the vision. They respond to existing constraints, identified opportunities, and aspirations.



The Strategy has been developed with consideration to complement and contribute to the implementation of nation-level plans and strategies. It demonstrates a link to and alignment with the strategies, including National Export and Import Strategies 2021-2030, Customs Development Strategy, National Digital Transformation Programme, National Plan for Electronic Commerce 2021 – 2025.

With the implementation of this Strategy, Viet Nam aims to create a coherent legal, institutional, and operational environment for increased TF performance. The activities are designed to support the optimization of risk-based systems for increased efficiency and compliance of trade transactions; to level up institutional cooperation, internally and with external counterparts; to activate a dynamic digital trade facilitation eco-system. The Strategy is “a living document”, underpinned by inclusive stakeholders’ participation to better orient and adjust investment promotion activities towards development impacts.

The implementation management of this Strategy will be integrated as one of the components of the management mechanism under an overarching National Export Strategy. A successful implementation of the Strategy is based on the ability of all public and private stakeholders to coordinate their activities, monitor progress, and mobilise resources. This strategy is a step forward to give the orientation of Viet Nam’s trade facilitation development. The implementation of priorities and maintaining a regular, inclusive, participatory public-private dialogue are crucial to gain momentum from the design process to the implementation of activities to have a positive impact and tangible results from the Strategy.

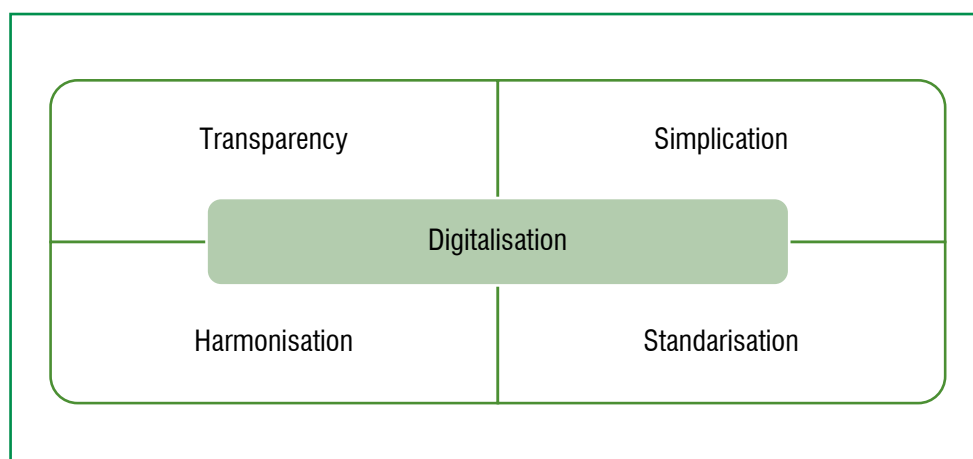
Introduction

Trade facilitation has emerged as a key factor for international trade efficiency and the economic development of countries. This is due to its impact on competitiveness, market integration and its increasing importance in attracting foreign direct investment. The worldwide distribution and sourcing cycles, characterised by quality logistics services and the emergence of e-business, has prompted governments to ensure efficient, fast, and reliable border crossing and clearance procedures.

The UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT), trade facilitation is: “the simplification, standardization and harmonization of procedures and associated information flows required to move goods from seller to buyer and to make payment”.

The fundamental principles of trade facilitation are transparency, simplification, harmonization, and standardization (Figure 1).

Figure 1: Trade facilitation principles



Source: ITC adaptation based on the United Nations Trade Facilitation Implementation Guide

Transparency: Transparency within government promotes openness and accountability of a government's and administration's actions. It entails disclosure of information in a way that the public can readily access and use it. This information may include laws, regulations and administrative decisions of general application, budgets, procurement decisions and meetings.

Simplification: Simplification is the process of eliminating all unnecessary elements and duplications in trade formalities, processes, and procedures.

Harmonisation: Harmonisation is the alignment of national procedures, operations and documents with international conventions, standards, and practices. It can come from adopting and implementing the same standards as partner countries, either as part of a regional integration process or because of business decisions.

Standardisation: Standardisation is the process of developing formats for practices and procedures, documents and information internationally agreed by various parties. Standards are then used to align and, eventually, harmonize practices and methods.

Digitalisation: Digitalisation serves as an enabler and a current imperative to upscale trade facilitation performance. The use of modern technologies transforms the information provision, data exchange, documentation as well as the automatization of certain export-import processes (e.g., inspections, validations).

To achieve these principles, full cooperation between government authorities and with the business community is essential.

Global context: the move to innovation, inclusiveness, and cooperation

Trade Facilitation has been high on the global trade policy agenda, culminating in binding commitments under the framework of World Trade Organization (WTO). Emerging internationally in 1970s, the topic of trade facilitation gained its prominence in 2017 with the Agreement on Trade Facilitation of the WTO. As in August 2022 (5 years after the

Agreement went into force), 155 WTO Members have ratified the TFA and involved in its implementation. The rate of implementation commitments stands at 75.4% in 2022 for all WTO members; this indicator is even higher for developing countries, at 77.4%.²

Box 1: SME perspective on trade facilitation

Operating with fewer financial and human resources, SMEs are particularly sensitive to the complexity, time, and cost of border procedures. Trading costs are estimated to represent a high share of the value of their exports. According to an ITC and WTO study, proportionate compliance costs can be 10–30 times greater for SMEs than for large businesses. This finds its partial reflection in a lower participation of SMEs in export activities: while accounting for 90% of all businesses, they are responsible only for 18% of exports in developing countries.

With the implementation of TFA, average trade costs are expected to reduce by up to 15% with developing countries benefiting even more. In turn, SMEs may gain a 60% to 80% increase in cross-border SME sales in some economies (World Economic Forum). Indirectly, small businesses may also benefit through the increase in export of large companies as part of their supply chain. The implementation of the TFA would have a greater impact on international trade than the elimination of all the world's remaining tariffs.

Source: OECD, 2018, *Fostering greater SME participation in a globally integrated economy*; ITC and WTO, 2014, *SME Competitiveness and Aid for Trade: Connecting Developing Country SMEs to Global Value Chains*; OECD, 2019, *Helping SMEs internationalise through trade facilitation*; Global Alliance for Trade Facilitation, *A Brief Guide to Trade Facilitation Agreement*.

Recent years have seen a growing number of national, regional, and international initiatives to facilitate trade across borders. Recognizing the relevance of trade facilitation for export performance, governments prioritize this topic in their trade-related strategies and establish a subject-dedicated institutional set-up. Stand-alone or integrated as part of broader strategic documents, trade facilitation is a contributing cross-cutting factor for enabling business environment. According to the estimates,

\$1 of aid for trade facilitation translates into \$70 in exports for recipients.³

Regional blocks have been also proactive in simplification, harmonisation, and standardisation of trade procedures. In addition to the TF provisions and Chapter 5 of the ASEAN Trade in Goods Agreement (ATIGA)⁴, ASEAN has further developed the Trade Facilitation Framework, recognizing this function as a key driver of economic development and regional integration. The ASEAN Trade

2.– WTO, Trade Facilitation Agreement Facility, retrieved on 02.08.2022 from:

[<https://tfafacility.org/>]

3.– Helble, Mann and Wilson. 'Aid-for-trade facilitation'.

4.– Chapter 5 of ATIGA is on Trade Facilitation.

Facilitation Work Programme cover the areas of customs procedures, trade regulations and procedures, standards and conformance, sanitary and phytosanitary measures, ASEAN Single Window (ASW).

Trade costs remain high in many regions of the world, recently affected by the pandemic and global political shifts. The international supply chain disruptions caused by COVID-19 and the recent surge in shipping costs have put additional pressure on traders. For example, the trade costs among the middle-income members of the Association of Southeast Asian Nations (ASEAN), which have actively pursued regional integration through trade and investment over the past decades, still stand at a 76.7% tariff equivalent.⁵

Although the progress in trade facilitation measures has been significant over the recent years, cross-border paperless trade remains challenging (Figure 2). The pandemic has contributed to the acceleration of digital solutions for export-import procedures domestically and with partner countries. In this context, the ASEAN Single Window has progressively expanded its scope and

coverage during the pandemic, including more partners and enabling the exchange of more trade documents. However, the overall implementation level of 'cross-border paperless trade' is still substantially lower (38%) compared to other types of TF measures. According to estimates⁶, the Asia-Pacific region can generate benefits of US\$600 billion, integrating digitalization in cross-border trade procedures.

Agency cooperation and coordination, both national and cross-border, stays a pre-requisite for smooth implementation of trade procedures. Trade facilitation is not a function of one agency, often attributed to the Customs, but rather a shared inter-agency responsibility. An effective interaction builds on a solid legal and institutional framework. At the national level, agencies enter memoranda of understanding (MoU) that define their roles and responsibilities. Cross-border cooperation requires bilateral agreements between the two governments that would enable areas such as mutual recognition, harmonization of forms/requirements, data exchange, capacity building.

Table 1: Key WCO indicators for trade facilitation for achieving excellence in customs

| Category | Sub-category | AEC* indicators |
|---------------------------------|------------------------------|-------------------------------------|
| Trade facilitation and security | Modernized procedures | Revised Kyoto Convention |
| | | SAFE Framework of Standards |
| | | Time release study |
| | Information technology | Electronic declarations |
| | | Data model |
| | | Coordinated border management (CBM) |
| | Partnership and connectivity | Authorized economic operator (AEO) |
| | | Single window |
| | | |

Source: WCO. *AEC is 'achieving excellence in customs'.

Promoting the concept of the Single Window, five ASEAN member states (AMS), including Viet Nam, started the exchange of electronic documents⁷ through the ASW-NSW system. The coverage of ASW will be expand over time to enable e-documents for export declaration, sanitary and phytosanitary (SPS) certificates, and the shipping manifest or related documents.⁸ ASEAN is further exploring the possibility of exchanging trade documents

with Dialogue Partners, including the United States, Australia, South Korea, and Japan.⁹

5.– Digital and Sustainable Trade Facilitation: Global Report 2021: <https://www.unescap.org/sites/default/d8files/knowledge-products/UNTF-Global%20Report-web%2B.pdf>

6.– Digital and Sustainable Trade Facilitation: Global Report 2021: <https://www.unescap.org/sites/default/d8files/knowledge-products/UNTF-Global%20Report-web%2B.pdf>

7.– This refers particularly to the exchange of e-ATIGA Form D Certificate of Origin.

8.– ASEAN Single Window and Links to e-Phyto: https://assets.ipcc.int/static/media/files/publication/en/2018/02/GhazaliZakaria_ASW_25January_dBhUkbh.pdf

9.– ASEAN Single Window: Achievements, Benefits, and Future Plans, 2020: <https://www.dropbox.com/s/cremp710r53861y/ASW%20all%20in%20One-final%20draft-Jan%202020%20all%2010%20AMS.pdf?dl=0>

Box 2: Targeting centres in risk management process

Targeting centres have become a key component of risk management in the USA, UK and Australia and other developed economies. They concentrate intelligence in one place which allows Customs and border protection agencies to focus on high-risk routes, methods of detection avoidance, intelligence gathering and analysis.

Following the practice of Australian law enforcement agencies, intelligence and targeting are the key to seizing drugs and other contraband on the streets and at the border. The National Border Targeting Centre uses an intelligence-led, risk-based approach to target high-risk international passengers and cargo. Around

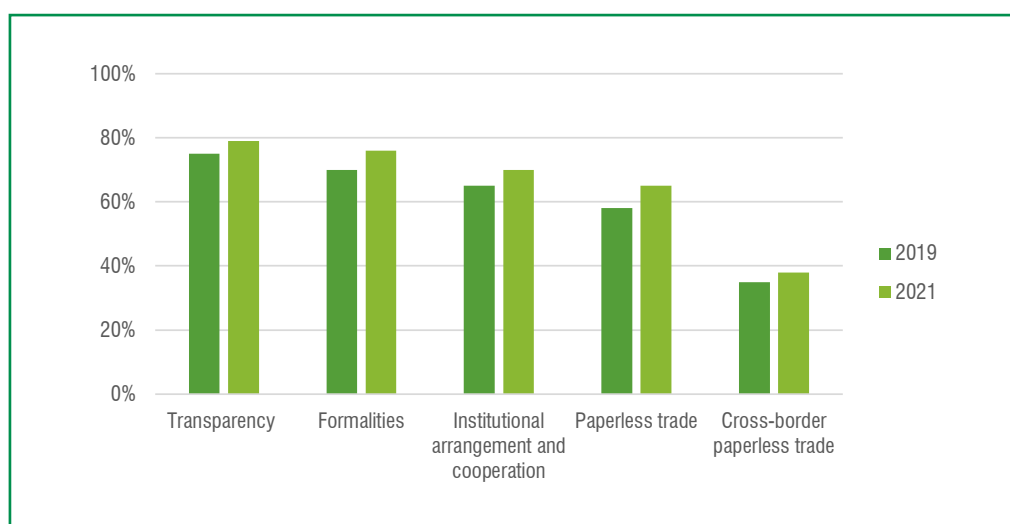
85% of seizures at the border are the result of intelligence developed by Customs and Border Protection and other law enforcement agencies in Australia and overseas.

Possible areas for consideration: high levels of electronic surveillance and hence connectivity needed; cross border cooperation implied; could require considerable investment in supporting infrastructure, especially in remote areas.

Best seen as part of a National Risk Management Policy with a possible pilot project identified for a specific border area where specific traffic risks have been assessed.

Source: Managing Risk for Safe, Efficient Trade, Guide for border regulators, ITC, 2022

Figure 2: Global implementation of trade facilitation measures, 2019 and 2021



Source: Digital and Sustainable Trade Facilitation: Global Report 2021, UN

The use of technologies is shaping the future of trade facilitation to enable trade flows while also ensuring acceptable conformity level. The use of digital technologies has been accelerated during the COVID-19 pandemic. While the pandemic resulted in new trade costs such as new protocols, additional border controls and new documentation requirements, the trade facilitation measures taken at the border have enabled supply chains to continue to deliver and have managed to outweigh these new potential burdens.¹⁰ Smart solutions are applied to digitalize information provision, data, and documentation exchange. The electronic exchange of trade data and

documents across borders is estimated to further reduce trade costs by nearly 8.2% for ASEAN. Moreover, digital transformation allows for the automatization of certain export-import processes (e.g., inspections, validations), particularly contribution to risk management.

The international community has experienced a rapid emergence of cross-border cooperation in digital trade. The WTO TFA establishes some direction for the exchange of electronic documents, including obligations and “best-endeavour” provisions. The Agreement requires to provide for advance lodging of documents in

10.— Organisation for Economic Co-operation and Development (OECD). ‘Getting goods across borders in times of COVID-19’.

electronic format for pre-arrival processing, while also encourages members to accept paper or electronic copies of supporting documents for cross-border formalities. Using electronic documents and transactions can speed up the time required to export (by on average 24%)¹¹ and reduce associated costs (by nearly 8.2% for ASEAN).¹²

Regionally, countries have made further progressive efforts towards digital economy partnerships and co-operation to promote paperless trade. In Asia and the Pacific, the initiative became remarkable with the introduction of the Framework Agreement on Facilitation of CPTA in February 2021. Other related frameworks include the Digital Economy Agreement of Singapore and Australia (SADEA) and the Digital Economy Partnership Agreement (DEPA) of Singapore, New Zealand, and Chile.

Box 3: Improving national standards and accreditation bodies to facilitate compliance with SPS requirements

The case of India: The Bureau of India Standards (BIS) has signed bilateral agreements with the national standards bodies of Afghanistan, Bhutan, Brazil, France, Germany, Israel, Mauritius, Nigeria, South Africa, the United Arab Emirates, and the United States of America. BIS has also inked 21 Memorandums of

Understanding (MoUs) in “standardization and conformity assessment”. BIS has also actively engaged in regional forums, such as the South Asia Regional Standards Organization (SARSO) and the Pacific Asia Standards Congress.

Source: ADB, SASEC, 2020, Potential Exports and Non-Tariff Barriers to Trade: India National Study.

Available at <https://www.adb.org/sites/default/files/publication/559296/india-exports-nontariff-barriers-trade-study.pdf> see also: <https://bis.gov.in/index.php/standards/technical-information-services>.

Far-reaching trade facilitation initiatives also cover innovative tools and platforms for stronger inclusion of the business community. Most common tools to integrate and monitor the needs of the private sector are public-private dialogues, satisfaction surveys, and, more

recently, digital communication platforms for private sector feedback. For example, ASEAN is launching the e-Platform for Consultations with the Private Sector, as well as issues related to the implementation of ASEAN Non-Tariff Measures (NTMs).

Box 4: Trade facilitation at the time of global emergency

At the outbreak of the pandemic, countries experience the urge to secure a fast and stable supply of critical goods. The global emergency – COVID-19 – has revealed the vulnerabilities of value chains and confirmed an acute need for trade facilitation in times of crisis. As a result, customs procedures and border clearance were expedited by cutting back ‘red tape’. Countries established priority clearance channels, improved border agency cooperation, established electronic processing, and lessened

and simplified documentary requirements. Improvements were also made to enhance regulatory approval and cooperation on standards for trade goods, which included recognizing the results of foreign regulators and allowing remote or electronic conformity assessment procedures. In this regard, several countries now accept scanned copies or electronic sanitary and phytosanitary certificates, and countries keep extending the temporary measures adopted at the beginning of the pandemic.

Source: World Trade Organization. ‘How WTO Members Have Used Trade Measures to Expedite Access to COVID-19 Critical Medical Goods and Services’. World Trade Organization. ‘Standards, Regulations and COVID-19 – What Actions Taken by WTO Members?’.

11.– Cross-border Paperless Trade Toolkit, WTO, UNESCAP, UNCITRAL, 2022: https://www.wto.org/english/res_e/booksp_e/paperlesstrade2022_e.pdf

12.– Digital and Sustainable Trade Facilitation: Global Report 2021: <https://www.unescap.org/sites/default/d8files/knowledge-products/UNTF-Global%20Report-web%2B.pdf>



Links, cargo-449784.jpg

Key takeaways

- Internationally, the relevance of Trade Facilitation has been recognized with the introduction of Trade Facilitation Agreement (TFA) under the WTO framework; its implementation is expected to reduce trade costs by 15% for developing countries.
- Regional blocks have been also proactive in simplification, harmonisation, and standardisation of trade procedures.
- Agency cooperation and coordination, both national and cross-border, stays a pre-requisite for smooth implementation of trade procedures.
- The use of technologies is shaping the future of trade facilitation to enable trade flows while securing an acceptable level of conformity. Electronic documents and transactions can speed up the time required to export (by on average 24%) and reduce associated costs (by nearly 8.2% for ASEAN).
- Stronger inclusion of the business community in TF development have been ensured through regular PPD, surveys and innovative feedback tools and platforms.

Trade facilitation in Viet Nam

Viet Nam has far-reaching trade facilitation commitments and initiatives at the international, regional, and national levels. Determined to increase efficiency of trade procedures on par with advanced economies, the country has significantly progress over the last 5 years in implementing trade facilitation agenda.

Trade facilitation as a standing agenda item

Global emergency situations, economic crisis, and major political shifts have effects on Viet Nam's positioning

in the global value chains. Considering overall country's development orientation and economic objectives, trade facilitation has been high in the government agenda. Given its cross-cutting nature and diverse agencies/institutions involved in its implementation, the trade function has been a component in existing national and sector-focused strategies and plans. With the view to reach the level of advanced economies in enabling cross-border trade, Viet Nam has been defining reforms, institutional adjustments, and regulatory and procedural changes to level up its performance not only in the region, but also internationally.

Table 2: Key high-level strategies and plans with reference to trade facilitation

| Document | Short description |
|--|---|
| National Export and Import Strategies 2021-2030, Decision 493/QĐ-TTg | The overall goal is to sustainably develop import and export with a balanced and harmonious structure, promote competitive and comparative advantages, develop Vietnamese goods brands, improve national position in the global value chain, as the driving force of rapid and sustainable economic growth. |
| Customs Development Strategy 2030 | <i>The GDVC has established the development orientation with the Customs Development Strategy 2030.</i> ¹³ The major focus of the Strategy is on the modernization and digitalization of Viet Nam Customs system, reaching the level of the developed countries. |
| National Digital Transformation Programme, Decision 749/QĐ-TTg | Since 2020, digital transformation has been central to Viet Nam's national strategies for economic development. Ambitious targets for e-government at the national, provincial, district and commune levels. |
| National Plan for Electronic Commerce 2021-2025 | The Government aims to expand the markets domestically and internationally and boosting cross-border trade through developing efficient e-commerce infrastructures that (i) enable e-payment services such as NFC, POS, QR code; (ii) improve logistics, warehousing, contract validation through technology; and (iii) allow the development of technological solutions for tracing products along the supply chain; among others. |
| Sectoral Strategies | Viet Nam has identified a set of priority sectors for targeted development in short and medium-term, including agricultural processing, textiles, wood processing, electronics. Among others, these strategies identify issues pertaining to the area of trade facilitation such as conformity assessment process and facilities, mutual recognition of quality assessments and certificates, traceability, specialized inspections, etc. |

Source: ITC compilation of documents with impact on TF.

Viet Nam and WTO

Viet Nam is one of 154 WTO Members, who have domestically ratified a Protocol of Amendment on 15 December 2015, adding the TFA into the WTO commitments.¹⁴ An effective implementation of the TFA could reduce trade costs by as much as 20% for Viet Nam.¹⁵ Currently, Viet

Nam is ahead of the original schedule for the TFA implementation, with 84.9% of commitments already met. In May 2022, the Government submitted notification on Category shifting and notification of earlier implementation dates. Viet Nam has shifted 3 measures, previously notified under Category C, to Category B, relieving request for technical assistance. The compliance with

13.– Decision No. 628/QĐ-TTg dated on May 20, 2022

14.– WTO/TFA <https://www.tfafacility.org/ratifications>

15.– https://www.wto.org/english/news_e/spra_e/spra120_e.htm

all category commitments is scheduled for December 2024.¹⁶

There are still 5 TF measures for which Viet Nam has requested assistance and support for capacity building. Those include a trade information portal, test

procedures, risk management, border agency cooperation, and Single Window.¹⁷ For their implementation, the country identified the need for ICT, human resources and trainings, legislative and regulatory framework, infrastructure, and equipment, and – to a lesser extent – institutional procedures.

Table 3: Viet Nam: Trade facilitation indicators simulator

| Category | Score | Total |
|-------------------------------------|-------|-------|
| Information availability | 33 | 1.57 |
| Involvement of the trade community | 10 | 1.43 |
| Advance rulings | 16 | 2 |
| Appeal procedures | 13 | 1.63 |
| Fees and charges | 24 | 1.85 |
| Formalities documents | 13 | 1.63 |
| Formalities automation | 18 | 1.38 |
| Formalities procedures | 42 | 1.56 |
| Internal border agency co-operation | 12 | 1.09 |
| External border agency co-operation | 8 | 0.80 |
| Governance and impartiality | 14 | 1.56 |

Note: The TFIs take values from 0 to 2, where 2 designates the best performance that can be achieved. They are calculated based on information in the TFIs database.

Source: OECD Trade Facilitation Indicators Simulator (2019)

Public-private dialogue

A high-level public-private dialogue on trade facilitation is enabled through the National Steering Committee on ASEAN single window, national single window, and trade facilitation (V-NTFC, Figure 3). V-NTFC was established in 2016 with government decisions 1899 and 684. The Secretariat is operated by the General Department of Vietnam Customs (GDVC, IT & Customs Statistics Department). Since the Committee's office is housed in the IT department of GDVC, it results into the perception that the Committee is de facto led by Customs.¹⁸ Chaired by the Deputy Prime Minister,¹⁹ it has 22 members, including the VCCI representing the private sector. The Committee meetings take place regularly, two times per year; upon necessity, unscheduled meetings are also possible.

The scope of the Committee's work has been expanding to cover a broader economic agenda, yet the practice is mostly focused on NSW, ASW, and SI efforts. In 2019, Decision No. 684/QDTTg tasked the Committee to strengthen the competitiveness of trade and economy. At the same time, the Action Plans of V-NTFC orient the work in the direction of NSW functioning and risk management.²⁰

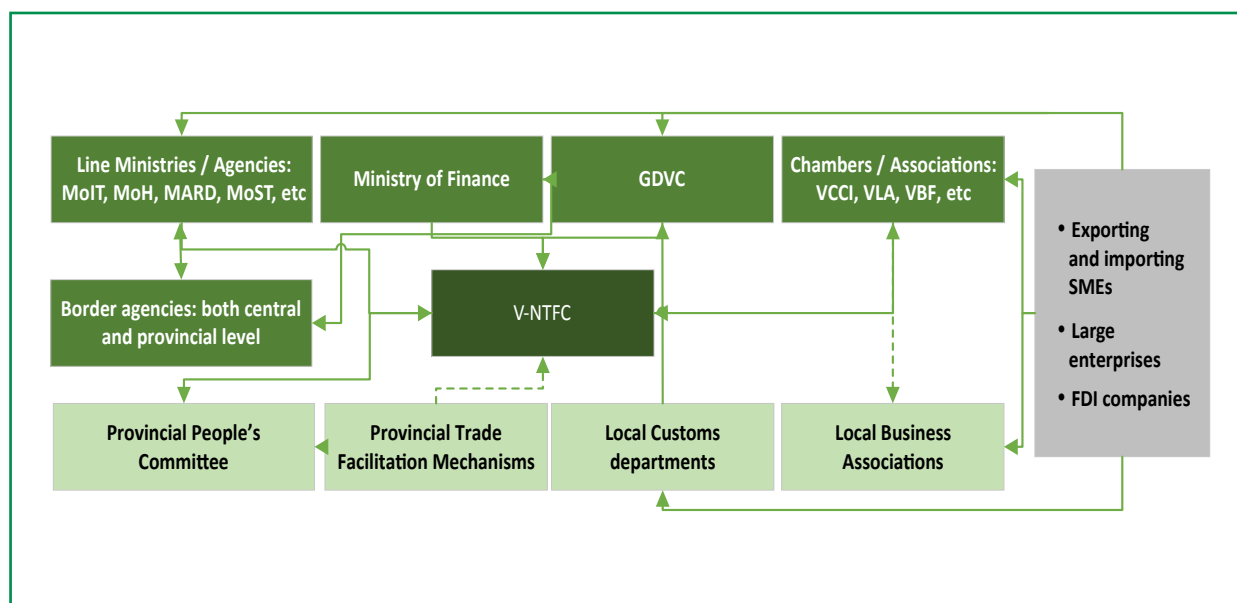
16.– <https://tfadatabase.org/members/viet-nam>

17.– Article 1.2 Information available through Internet, Article 5.3 Test procedures, Article 7.4 Risk management, Article 8 Border Agency Cooperation, Article 10.4 Single Window.

18.– ITC PPD Assessment Report, October 2022

19.– The V-NTFC is chaired by Deputy Prime Minister, the Permanent Deputy Chairman is the Ministry of Finance, and the Deputy Chairman is the Ministry of Industry and Trade.

20.– Decision No. 1254/QD-TTg dated on 26 September 2018 and Decision No. 1258/QD-TTg dated on 17 August 2020.

Figure 3: High-level overview of institutional TF system in Viet Nam (simplified)

Note: The lines indicate simple connections between institutions and do not attempt to assess the level of interaction. However, in two cases the dotted line refers to unclear interaction between institutions.

Further engagement with business community

The Government of Viet Nam has implemented initiatives to set up the baseline of business satisfaction and monitor their feedback through surveys. In 2020, the VCCI and the GDVC, supported by USAID Trade Facilitation Programme, assessed “Business satisfaction and time needed to carry out administrative procedures through the National Single Window”. Another survey – “Businesses’ satisfaction with import – export administrative procedures” was aimed at identifying shortcomings and constraints of businesses in importation and exportation. Business have shown satisfaction with some import-export administrative procedures, while expecting continuous improvement in others.²¹

Viet Nam and ASEAN trade facilitation

The trade facilitation agenda of Viet Nam has been also shaped by the ASEAN framework. The ASEAN Trade in Goods Agreement (ATIGA) of 2009 includes a chapter on trade facilitation that requires members to apply a comprehensive ASEAN Trade Facilitation Work Program (ATFF). The implementation of the ATFF is guided by the

ATF-JCC²² where Viet Nam is represented by the MOIT.²³ The ATFF provides a basis upon which members can further engage and foster greater trade facilitation regionally and within the relevant ASEAN sectoral bodies. The ASEAN trade facilitation programme is based on fundamental principles, including private sector orientation, cooperation, consistency, and predictability.

The ASEAN Single Window (ASW) is an ambitious initiative to enable a single data submission, synchronous processing and decision-making for customs release and clearance among AMS. As of now, Viet Nam has connected to the ASW to exchange information on e-C/O form D with other AMSs, other procedures are still in piloting stage. By the end of Q3/2021, the country had received a total of 413,887 C/Os from other AMSs and had sent 1,079,798 C/Os to other AMSs. Further, since August 2021, Viet Nam has started testing the exchange of information on Customs declarations with technically ready countries, including Indonesia, Brunei, Laos.²⁴

21.– Businesses’ Satisfaction with Import-export Administrative Procedures, 2020

22.– The ASEAN Trade Facilitation Joint Consultative Committee was established to support the ATFF at the 38th Meeting of AEM on 22 August 2016 in Kuala Lumpur.

23.– <https://thitruongvietnam.vn/hoi-nhap/thuan-loi-hoa-thuong-mai-asean-la-dong-luc-cua-phuc-hoi-kinh-te-khu-vuc-225732.html>

24.– <https://haiquanonline.com.vn/235-thu-tuc-hanh-chinh-ket-noi-co-che-mot-cua-quoc-gia-153660-153660.html>

Box 5: Main trade information portals in Viet Nam

There are three main trade portals that were developed by 2022. The potential benefits of these portals include reduction of time and costs to search for export and import-related information, enhanced transparency and predictability of trade procedures and strengthened public-private dialogue.

1. Viet Nam Trade Portal: <https://www.vietnamtradeportal.gov.vn/>

VTIP provides information related to tariffs, legal documents and procedures related to export, import and transit in Viet Nam.

2. Info Viet-Trade Portal: <https://infoviettrade.vn/>

The Portal is intended as a one-stop-shop providing useful, clear, precise, and up-to-date information on trade procedures and documents in an easily accessible manner.

3. Viet Nam Free Trade Agreement Portal: <https://fta.moit.gov.vn/>

FTAP provides smart online lookup tools for interested audiences about commitments of all FTAs to which Viet Nam participates, including commitments on taxes, rules of origin, services, and investment, as well as other essential information for business processes such as the situation market, import and export regulations, sustainable development.

National Single Window

The NSW of Vietnam is a complex system, allowing the interaction of different entities: government authorities, trade support institutions, businesses, and ASEAN and global trading partners. The NSW of Viet Nam officially started operations in November 2014 and connected to ASW with the GDVC as the focal agency.²⁵ The portal has been developed with a notion to enable users to access one single platform and make use of the integrated services. The NSW was to accommodate effective connection and data exchange not only in the country but also among AMSs and other countries to facilitate the international *trade supply chain*. By the end of 2021, 243 out of 261 administrative procedures of 13 ministries and agencies have connected to the NSW²⁶, with more than 4.1 million dossiers of about 49,500 enterprises.²⁷

Information exchange with partners outside of ASEAN

Viet Nam is exploring opportunities to streamline information exchange agreements – on export customs declarations, C/O forms, SPS certificates – with partners outside ASEAN. The Ministry of Finance (MoF) completed a pilot on connection techniques for export customs declarations with the EAEU. While the initial tests involved open Internet channel, the partners are currently working on the establishment of secure connections that will also be tested. Further, MoF and MoIT negotiate the finalization of Protocols and technical arrangements to

exchange C/O with the EAEU as well as with Korea. The Government is working with New Zealand for phytosanitary and sanitary certificates, with expected implementation period in 2022-2023. Other counterparts such as Australia, US, EU, Japan, China are on the list for future negotiations.

Paperless trade in Viet Nam

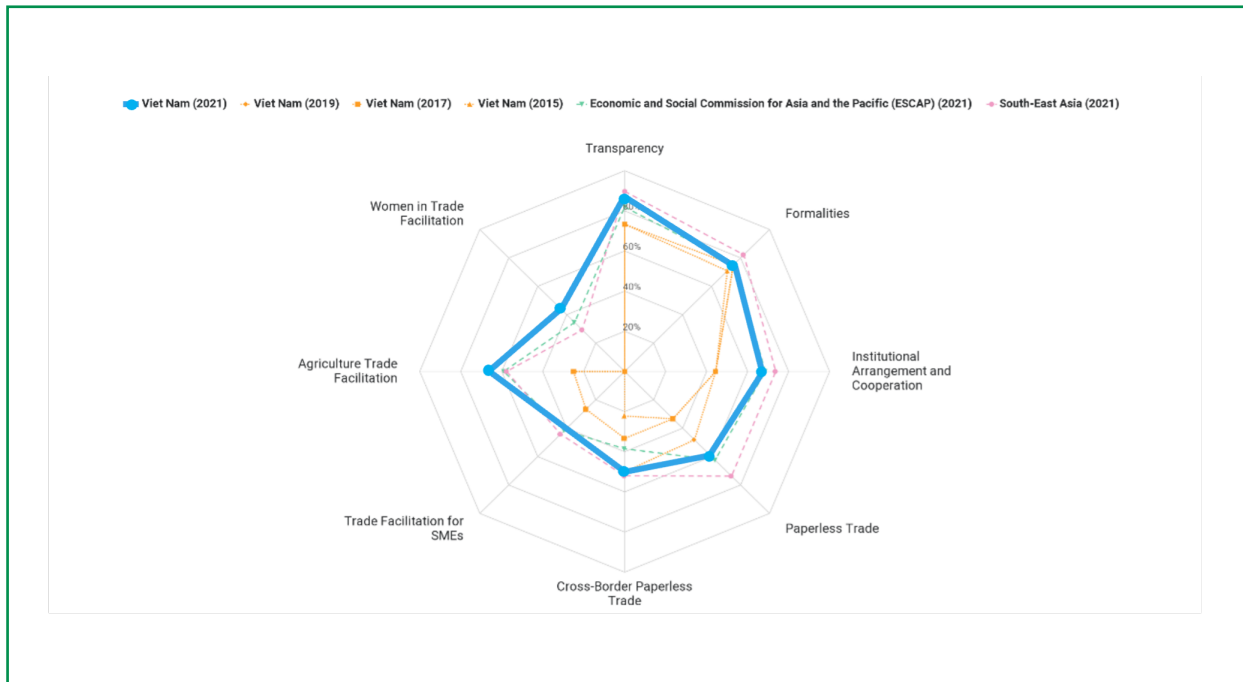
*At the national level, Viet Nam has made significant progress in (cross-border) paperless trade, although recognizing room to further improvements (Figure 4).*²⁸ The country is proactive in developing and implementing reforms to embrace the achievements of the industrial revolution 4.0. Recent years have seen the introduction of new legislation, tools, platforms, and tighter inter-agency cooperation to enable paperless trade. However, paperless trade systems remaining either mostly partial or on a pilot basis. The 2022 Report on Readiness Assessment for CBPT in Viet Nam took stock of existing legal and technical frameworks to identify missing links and chart a course for a favourable digital trade eco-system.

25.– <https://asw.asean.org/index.php/archives/agreements/item/memorandum-of-understanding-on-the-implementation-of-the-asean-single-window-pilot-project>

26.– <https://vnsw.gov.vn/profile/detailNews.aspx?id=277>

27.– <https://haiquanonline.com.vn/235-thu-tuc-hanh-chinh-ket-noi-co-che-mot-cua-quoc-gia-153660-153660.html>

28.– 2021 United Nations Global Survey on Digital and Sustainable Trade Facilitation

Figure 4: Viet Nam's implementation of trade facilitation measures in 2015-2021

Source: United Nations, 2021, <https://www.untfsurvey.org/economy?id=VNM>

On the technical side, Viet Nam has established a paperless trade system at the national level. Since 2017, Viet Nam Customs has used the Viet Nam Automated System for Seaport Customs Management (VASSCM) system to simplify and harmonize customs procedures with those of warehouses, yards, seaports, airports, and other related parties through IT systems. The Viet Nam VNACCS/VCIS aims at the operation of the NSW and the ASW to enable connection and data exchange in the country and among AMSs. The network services and the interoperability of these systems are yet to be developed.

On the legal side, Viet Nam has the legal basis related to electronic transactions, however some regulations remain outdated. First determined steps to enable electronic environment were made with the adoption of “Law on E-Transactions” in 2005. Since then, numerous adjacent laws and decrees were passed.²⁹ However, given a rapidly changing reality, the legislation established 15 years ago may not necessarily respond to today's needs.

Measures at times of COVID-19

Viet Nam has also shown flexibility and agility in the context of the pandemic by temporarily simplifying customs procedures and requirements. The application of IT solutions to customs clearance and goods clearance was accelerated to minimize direct contact between customs officers involved in goods import and export procedures. Further, the customs implemented faster clearance of goods and lesser sample requirements, especially in case of critical aid products, to fight the pandemic. They also reduced the rate of yellow and red channels. Regarding goods in transit or trans-shipment, customs procedures were simplified, for example, by not requiring supporting documents in some cases. Customs also simplified the renewal process for priority enterprises, submission of declarations, and inspections.

29.– Law on Electronic Transactions No. 51/2005/QH11 dated November 29, 2005 amended and supported by Resolution No.50/NQ-CP dated May 20, 2021; Decree No. 52/2013/ND-CP on e-commerce amended by Decree No. 85/2021/ND-CP in 2021; Decree No. 47/2020/ND-CP dated April 9, 2020 on management, connection, and share of digital data of state agencies; Decree No. 30/2020/ND-CP on clerical work; Decree No.130/2018/ND-CP dated September 27, 2018, on guidelines for digital signatures and digital signature authentication services; Cyber Security Law in 2018; Law on Information Technology 2006; Decree No. 72/2013/ND-CP dated July 15, 2013, on the Management, Provision and Use of Internet Services and Online Information; Decree No. 85/2016/ND-CP dated July 01, 2016, on the security of information systems; Law on Cyber Information Security 2015; Decree No. 64/2007/ND-CP dated April 10, 2007 on information technology application in state agencies' operations.



Links, pexels-kaique-rocha-379964.jpg

TIR Convention

Based on the assessment of Viet Nam's readiness, the accession to TIR Convention has been postponed. After China's accession to the TIR Convention in 2016, Viet Nam showed strong interest in implementing TIR to further streamline and modernise customs procedures.³⁰

In 2017 GDVC and IRU signed a Memorandum of Understanding to analyse the country's framework to access the convention.³¹ The findings of the feasibility study of 2018 led to the conclusion that in the current context, the accession of Viet Nam seems pre-mature due to regulatory reasons and unnecessary extra-expenses arising for traders from the implementation.

Key takeaways

- Viet Nam has far-reaching trade facilitation commitments and initiatives at the international, regional, and national levels. The country is determined to increase efficiency of trade procedures on par with advanced economies.
- In its approach, the Government goes beyond the trade facilitation commitments under the WTO TFA. Currently, Viet Nam is ahead of the original schedule for the TFA implementation, with 84.9% of commitments already met; with 5 TF measures to be implemented.
- The trade facilitation agenda of Viet Nam has been also shaped by the ASEAN framework. Within this framework,

the ASW is an ambitious initiative to enable a single data submission, synchronous processing and decision-making for customs release and clearance.

- The country has a strong interest in facilitating further integration and connectivity. Viet Nam is exploring opportunities to streamline information exchange agreements – on export customs declarations, C/O forms, SPS certificates – with partners outside ASEAN.
- Viet Nam has made significant progress in (cross-border) paperless trade, although recognizing room to further improvements.

30.– <https://www.iru.org/news-resources/newsroom/talks-tir-progress-vietnam>

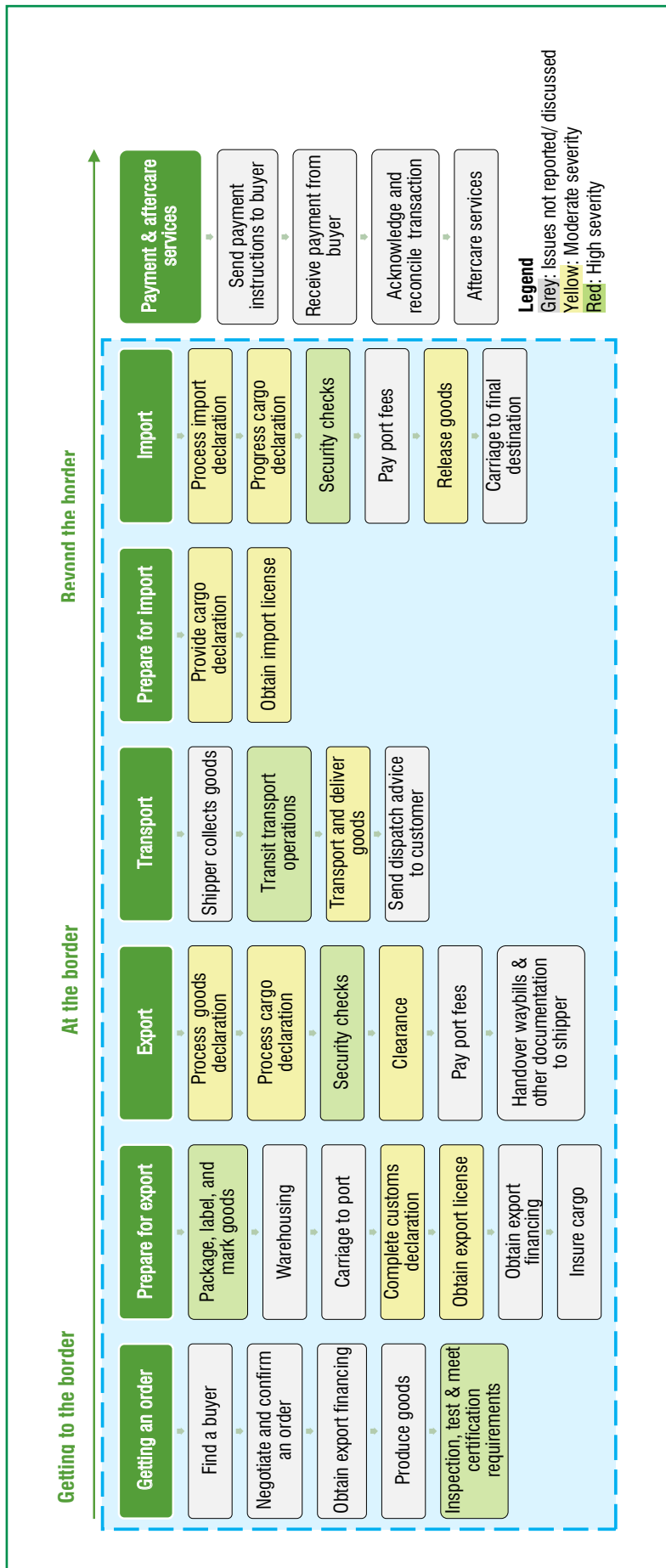
31.– Article 12 of the MOU reads that the MoU is automatically extended for 2 years without any Party's notification of termination (end date 2021).

Map of a typical international trade transaction

Vietnamese firms face certain constraints along an international trade transaction, presented below from the enterprise point of view. Individual transaction steps were found of concern by government agencies, institutions, and economic actors, through the bilateral and multi-stakeholder consultations over August – November 2022. The graph provides a simple visual way to understand what the strategy scope is and where main issues are (note: main issues refer to those that have been featured with moderate and high level of severity). Based on the issue visualization, existing priorities, and stakeholders' aspirations, three high-level areas have been proposed for improvement.

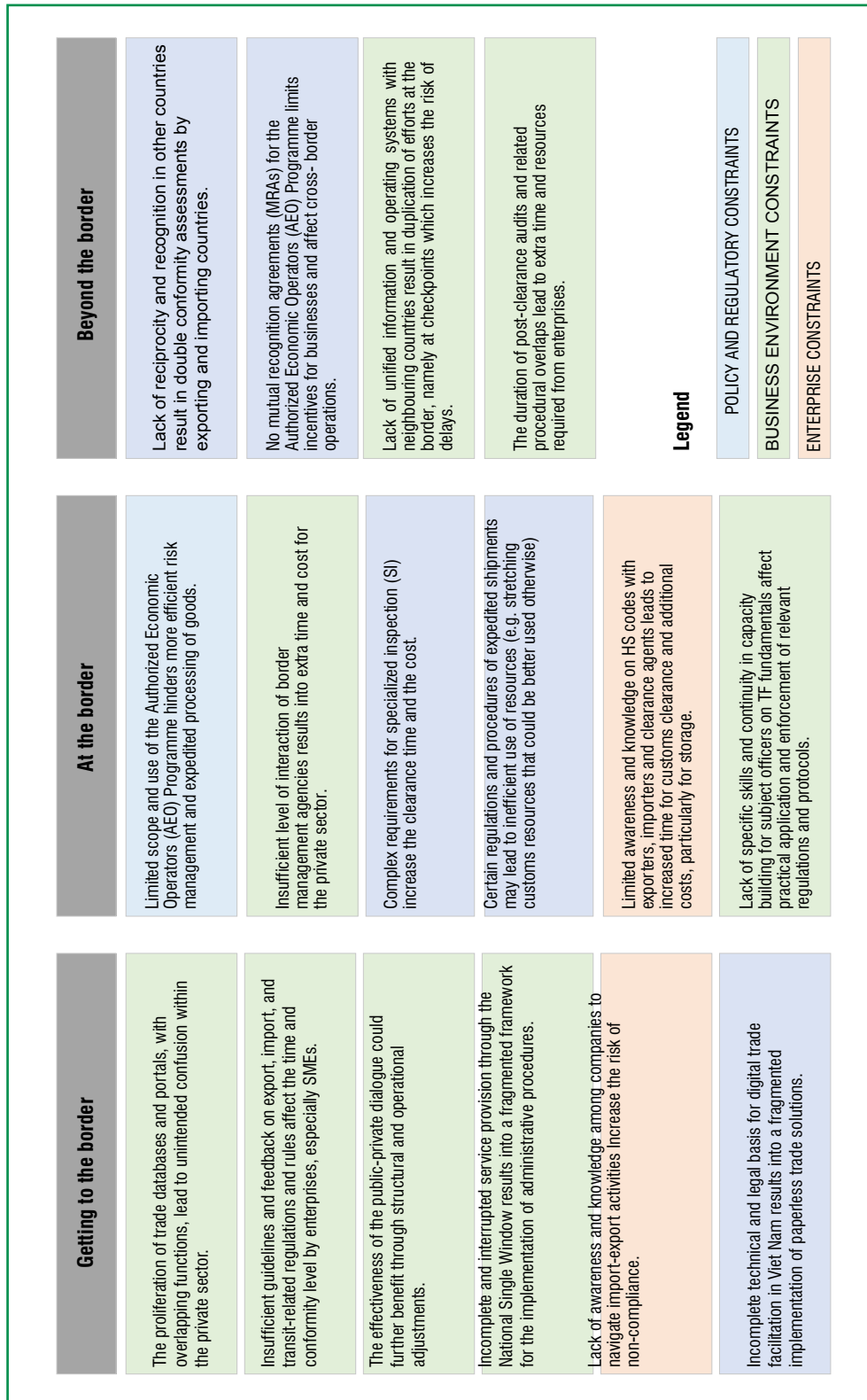
High-level areas for proposed improvement

1. Risk management and AEOs: An effective risk management is at the core of the trade facilitation process, aimed at enabling continuous trade flows while ensuring an acceptable conformity level and security controls. The improvement in this area will influence multiple transaction steps, in particular those encountered at the border.
2. Border Agency Cooperation / Reciprocity and Mutual Recognition: There is a diverse range of institutions involved in export-import procedures from both sides of the border. In this context, established communication channels and protocols between respective agencies are crucial to improve the efficiency and effectiveness of trade transactions, reduce the burden of compliance on traders and increase trade volumes.
3. Digitalization of cross-border trade procedures and processes: The application of modern information and communication technologies will address several issues all along the trade transaction to simplify and automate international trade procedures. It will also contribute to transparency and predictability of export-import process, while building awareness and knowledge among traders to conform to existing requirements and rules.



Competitiveness constraints

Figure 5: Summary of competitiveness constraints



Focusing on the most pressing issues

- Multiple competitiveness constraints affect shortand medium-term Viet Nam's performance in trade facilitation. These constraints are identified along three phases of exports: getting to the border, at the border, beyond the border. They cross-classified by three dimensions – policy, institutional and enterprise constraints.

- **Policy and regulatory constraints** refer to legislative and regulatory bottlenecks that limit effective functioning of the trade support function in line with international best practice.
- **Business environment constraints** refer to issues related to trade and investment support institutions' (TISIs) service delivery to enterprises; specifically in terms of the capacities and resources available to institutions to achieve effective service delivery.

Policy and regulatory issues

Limited scope and use of the Authorized Economic Operators (AEO) Programme³² hinders more efficient risk management and expedited processing of goods.

The actual list of qualified AEOs is currently limited only to direct export and import companies, while trade support service providers are largely left out. After almost 10 years of the AEO establishment, around 70 firms benefited from such scheme; most of them are FDI with high import-export revenue. Article 10 of Decree No. 08/2015/ND-CP provides qualification criteria for exporters, importers, and customs clearance agents.

Moreover, the conditions set in the relevant regulations³³ practically exclude the participation of SMEs in the AEO programme. According to data from the APEC, in Viet Nam SMEs' share of total exports is between 20% 30%.³⁴ So far, no small and medium-sized enterprises have been qualified for the programme: they can neither meet the AEO criteria of exports and imports nor the number of customs declarations (for Vietnamese customs brokers). Meanwhile, it is recognized that SMEs stand to benefit the most if they are included in the programs through simplified customs administration procedures and enhanced SMEs' trading capabilities.

- **Plan of Action reference:** Activity 1.1.1

Narrow scope of preferences under the AEO Programme limits incentives for businesses and affect cross-border operations.

The benefits of the AEO programme are rendered only by the Customs authorities, which limit the incentive of companies to apply. The AEO status guarantees advantages mainly in terms of priority policy during clearing operations. In line with Articles 5–11 of Circular 72/2015/TT-BTC, the priority policy is essentially based on the exemption from document and physical inspections of goods, customs clearance with incomplete declarations, faster procedures in case of tax refund, and post-clearance analyses. Moreover, in the absence of MRAs, preferential treatment for qualified companies in one country are not applied in the territory of any other country.

- **Plan of Action references:** Activities 1.1.1, and 1.1.2

Complex procedures for specialized inspection (SI) increase the clearance time and cost.

As reported by consulted enterprises, relevant administrative procedures for specialized inspection could only partially be implemented via the NSW or online in the

32.– The Customs General department has an AEO division under the Post-Clearance department with 15 trained staff working on AEOs and other operations. At the provinces and cities, AEO units are under the Department of Economic and Trade Affairs and Customs Clearance Bureau. Every 6 months, Customs conducts an assessment to evaluate the Program.

33.– Article 42 of Law 54 of 2014, Article 10 of Decree No. 08/2015/ND-CP of 21 January 2015, and Article 12–17 of Circular 72/2015/TT-BTC of 12 May 2015, provide a list of requirements which must be satisfied by economic operators to obtain customs privileges, benefits and priority when clearing goods.

34.– Integrating SMEs in Authorized Economic Operator Certification: Improving SME Participation in APEC Secure Trade APEC Sub-Committee on Customs Procedures, 2021

https://www.apec.org/docs/default-source/publications/2021/2/integrating-smes-in-authorized-economic-operator-certification/221_sccp_integrating-smes-in-authorized-economic-operator-certification-2.pdf?sfvrsn=8c0ca64c_1

electronic format. Often enterprises are required to communicate directly with the respective agency and hand in hard copies of necessary documents; on-site presence is also required for making payments and collecting certificates. Paper-based approach is still mandatory as per the existing laws and regulations of certain ministries. In this context, the revision of a pertinent legal and regulatory framework is required. For example, the Circular No. 05/VBHN-BKHCN dated 28 August 2017, could be revised in association with the Decree 130 of the Government dated 27 September 2018 guiding the Law on E-transaction and The Law on Enterprise 2020.

■ **Plan of Action references:** Activities 1.1.3, and 1.1.4

Some procedures during expedited shipments may lead to inefficient use of resources.

The current level of de minimis in Viet Nam is argued to be relatively low (VND 1 million, or around US\$40), compared to recommendations set by international good practices. The revision of de minimis value could further contribute to the facilitation of low-value cross-border trade. Based on the study by the APEC, the recommended threshold is at US\$100. The level of de minimis in advanced economies varies significantly from EUR150 in the EU members to US\$800 in the US. The cost, in the small amount of revenue implicated and not collected, is offset by the savings in human and information technology resources.³⁵

Further, the feedback of control for expedited shipments is not captured in the relevant risk management system. The selectivity approach is applied to express consignments; however, the results of these controls are not recorded for future references and incentives for compliance.

■ **Plan of Action references:** Activities 1.1.1, and 1.1.5

Lack of reciprocity and recognition in other countries result in double conformity assessments by exporting and importing countries.

Vietnamese conformity assessment bodies are not widely recognized as competent to perform tasks related to testing, calibration, or certification. The SPS control remains a challenge for Vietnamese businesses, in particular for

those in seafood and food processing. This is particularly visible at the border with China, the biggest importer of agricultural produce from Viet Nam (65-70% of the country's total export volume). The checks and controls implemented by Vietnamese quality control providers are not recognized by Chinese authorities. Vietnamese quality testing providers recommend conducting controls prior export activities to make sure that goods conform to the import country requirements and will be accepted at the destination market border. This leads to increase in export cost; however, it can reduce the risk of situation where the products are rejected at the border and forced to be recalled.

Domestic Vietnamese quality and testing providers do not necessarily have capacity/knowledge to access a complete list of requirements for certain product lines, set by importing countries. These companies do not guarantee the acceptance of the goods based on the issued certificates/reports and cannot be held liable for possible rejection in the destination markets. Internationally recognized quality providers with establishments in Viet Nam can issue the certificate that will be accepted by other countries, including China. However, this has implications on the cost of the services.

■ **Plan of Action references:** Activities 1.1.2, 1.2.2, 2.2.1, and 2.2.2

Incomplete technical and legal basis for digital trade facilitation in Viet Nam results into a fragmented implementation of paperless trade solutions.

With the development of information technologies, the digitalization of processes has become an imperative for enabling trade. The relevance and urgency of the (cross-border) paperless trade measures were explicitly pronounced during the pandemic. Exchanging documents electronically proved critical to keeping trade flowing. To date, the implementation of measures related to (cross-border) paperless trade remains challenging, in particular the exchange and legal recognition of trade-related data and documents in electronic form.³⁶

35.– Trade Facilitation Best Practices in Use of Expedited shipments, the case of US, WTO case studies

36.– Digital and sustainable trade facilitation, Regional report, UNECE, 2021

https://unece.org/sites/default/files/2021-11/ECE_TRADE_467_UNECE_Regional_Report.pdf

Business environment issues

The effectiveness of the public-private dialogue – NTFC – could further benefit through structural and operational adjustments.

First, the current PPD structure lacks operational units that would provide technical guidance, implement, and follow up on activities in-between formal Committee meetings (normally, twice a year).³⁷ The structural expansion will allow technical experts below the deputy-ministerial level to interact with their peers and the business community, and devote a greater amount of attention to their respective subcommittees.³⁸

Second, business could be offered full opportunity to introduce solution-oriented approaches by advising on cost saving measures and best practices from other jurisdictions. The membership could be rethought and expanded to include more than just the current single private sector representative. The Committee could further include the voice of the private sector through other means, for example, by involving more associations in working groups or inviting their written submissions.

Further, MOIT is well placed to play a larger role in trade facilitation and private sector engagement. Regarding trade facilitation, the enhanced role could be with respect to provision of trade regulation information via MOIT's online portal (including the FTA Portal and Vietnam National Trade Repository), facilitation of cross-border paperless trade, etc.³⁹

- **Plan of Action references:** Activities 1.2.5, and 2.1.1

Incomplete and interrupted service provision through the National Single Window results in a fragmented framework for the implementation of administrative procedures.

Although most of the fundamental functions of the NSW Portal are reported to run properly, there are technological, functional, and operational aspects that will contribute to the NSW productivity. For example, most of the procedures for specialized inspection is not available online and processed manually, as per the current legal requirement. Enterprises hand over hard copies of the required documents directly to the relevant authority.⁴⁰ Moreover, even though testing, inspection and certification companies prefer using electronic documents, they must follow regulations about 3-year storage of original documents⁴¹ which are hard copies because the transition process of digital signatures has not been completed yet.

Navigation through the NSW portal appears complex. When specific functions are evaluated separately, the ones that businesses find most difficult to use include "Q&A" (35%), "withdraw/delete records" (26%), "search" (18%), and "revise records" (17%). In addition, the NSW Portal needs to have its technical infrastructure upgraded to speed up processing time.⁴²

- **Plan of Action references:** Activities 1.1.4, and 3.1.5

Insufficient level of interaction of border management agencies results into extra time and cost for the private sector.

As shown by practice, risk management at the border is as good as it is implemented by the least efficient regulatory agency.⁴³ If just one regulatory agency lacks

37.– While the NTFC does assign provincial and local departments and authorities with responsibilities for implementation, monitoring and evaluation, they are not members of the Committee.

38.– Final Report: Support and Increase the Role and Effectiveness of the Vietnam National Trade Facilitation Committee, Trade Facilitation Program, USAID, 2020

39.– Ensuring effective trade policy dialogue in Vietnam – interim report on private and public stakeholder perceptions, Swiss Trade Policy, and Promotion Project, 2022

40.– Bilateral meeting with importer and logistics service provider, October 2022

41.– Circular No. 05/VBHN-BKHCN dated 28 August 2017 about provisions on standards and conformity disclosures and methods of conformity assessment based on standards and technical regulations.

42.– NSW Satisfaction Survey 2020

43.– Managing Risk for Safe, Efficient Trade, Guide for border regulators, ITC, 2022

capacities or resources to evaluate risks accordingly, the entire system will be affected. Currently, Viet Nam is reported to have ad-hoc communication between border management institutions, without clear standard operation procedures and protocols. Coordinated border management, in turn, can provide substantial benefits to both border agencies and the private sector. By streamlining and harmonising procedures, border agencies can optimise the use of their resources and manage the border effectively and efficiently, even in the context of increasing flows of goods.⁴⁴

■ **Plan of Action reference:** Activity 2.1.2

Lack of specific skills and continuity in capacity building for subject officers on TF fundamentals affect practical application and enforcement of relevant regulations and protocols.

Agencies involved in risk management must establish a common understanding and interpretation of the existing regulations, procedures, and systems. Joint trainings and other capacity building programmes facilitate a more coherent, unified, and systematic approach to risk-based compliance operations. The GDVC has been a recipient of capacity building trainings organized under technical assistance project(s). With the completion of the projects, the training component is discontinued, but the need remains. Moreover, according to the interviewees,⁴⁵ proposed project trainings are theory-based and may differ from real practice. In this context, experts from standard-setting organizations (e.g., ICC, WCO) as well as practitioners from other countries could ensure the relevance and practical application of provided courses.

■ **Plan of Action reference:** Activity 1.2.1

The proliferation of trade databases and portals, with overlapping functions, lead to unintended confusion within the private sector.

A well-developed, coherent, and harmonized trade intelligence service network is an essential facilitator of business operations and development. Currently, there are several trade portals and tools, already available or in

progress⁴⁶, for existing and potential exporting/importing companies. They are mostly neither integrated nor linked. Some of them were created to fulfil international obligations, such as those under the ASEAN framework. Developed by different institutions, these tools seem to feature duplicated functions and significant information overlaps, which may lead to uncertainty and differences in interpretation. This unintended complexity, coupled with a limited online support offered by website administrators, adds to a low level of the utilization of trade information services.

■ **Plan of Action references:** Activities 3.2.1, and 3.2.3

Insufficient guidelines and feedback on export, import, and transit-related regulations and rules affect the time and conformity level by enterprises, especially SMEs.

Companies receive insufficient guidance on the implementation of circulars and regulations, creating different interpretations throughout the system. The issuance of new or amended regulations should be accompanied with an extensive outreach to the business community. The objectives are to keep enterprises aware of the updates as well as to provide guidance on interpretation and practical implementation. The difference in interpretation lead to delays as, for example, in the case of the issuance of the Certificate of Origin (CO) with divergent views on the HS code of the Customs Department and the Chamber of Commerce.

■ **Plan of Action references:** Activities 1.2.2, 1.2.4, 3.2.1, and 3.2.4

Lack of unified information and operating systems with neighbouring countries result in duplication of efforts at the border, namely at checkpoints which increases the risk of delays.

Under international frameworks, countries are encouraged to cooperate on mutually agreed terms with those with whom they share a common border to coordinate procedures at border crossings. Such cooperation and coordination may include alignment of working days

44.– Coordinated Border Management: From theory to practice, World Customs Journal, http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/research/research-paper-series/19_cbm_polner_en.pdf?db=web

45.– Bilateral meetings with the GDVC, September 2022

46.– A new trade intelligence tool is being developed in partnership with the British cooperation.

and hours, procedures and formalities, development and sharing of common facilities, joint controls, establishment of one stop border post control. Viet Nam has already streamlined some of these processes at certain borders, in particular building on the experience of systems between Lao Bao (Viet Nam) and Desavan (Lao PDR).

- **Plan of Action reference:** Activities 1.1.3, 2.1.3, 2.1.4, and 2.2.3

The duration of post-clearance audits and related procedural overlaps lead to extra time and resources required from enterprises.

Post-clearance audit procedures are regarded as challenging, particularly with longer audit time than specified and overlapping audits by different customs units. Considering different types of enterprises, import-export enterprises appear to face these issues more than others: “required to provide information and documents



Links, pexels-julius-silver-753331.jpg

outside the scope of regulations” (16.3%) and were faced with “overlapping audit contents” (19.4%).⁴⁷ Further, in 2018 Decree 38 (section on food safety) was replaced with Decree 15. The reform resulted in relieving around 95% of imported food products from the process of specialized inspection (SI). However, removal of SI for these products have led to increased work later at post-clearance audit. And for this audit, there seem to be lack of human resources and capacities.

Enterprise-level issues

Lack of awareness and knowledge among companies to navigate import-export activities Increase the risk of non-compliance.

*Enterprises, especially those of a smaller size, are reported to face constraints in obtaining skills and capacities to research on cross-border procedures.*⁴⁸ Trained and professional workforce is a key to increasing compliance. Associations rely on their internal capacities to train their members; however, they do not necessarily have relevant skills either. In this context, bigger institutions such as VCCI could strengthen their function on connect government agencies and enterprises in terms of awareness raising, knowledge sharing, experience exchange, and capacity building. The training-of-trainers programme could be also a viable option to reach enterprises not only in central locations, but also across provinces.

- **Plan of Action references:** Activities 1.2.2, and 1.2.4

Limited awareness and knowledge on HS codes with exporters, importers and clearance agents leads to increased time for customs clearance and additional costs, particularly for storage.

SMEs report difficulties related to determining HS codes which correspond to imported goods. The existing regulatory framework already provides a solid basis for exporters and importers. The importer is responsible for the correct classification of the goods. However, to facilitate the release process, importers may provide the exporter with the HS code for their products and ask them to include it in their invoices.⁴⁹ In some cases, two last digits in the HS code in import customs declaration are different from the ones in export customs declaration. This difference may result into the change in applicable tariffs.

47.– Businesses' Satisfaction with Import-Export Administrative Procedures, Findings from the 2020 Survey

48.– Bilateral consultations with the private sector stakeholders over August – November 2022.

49.– <https://iccwbo.org/resources-for-business/incoterms-rules/incoterms-2020/>

THE WAY FORWARD

Vision

To guide the implementation of the strategy in the next five years, the vision statement set out below has been formulated and agreed upon by stakeholders who participated in the consultations for the design of the Trade

Facilitation Strategy.⁵⁰ It represents the ambitions of the country as well as a consensus among stakeholders over the role of trade facilitation in the economy.

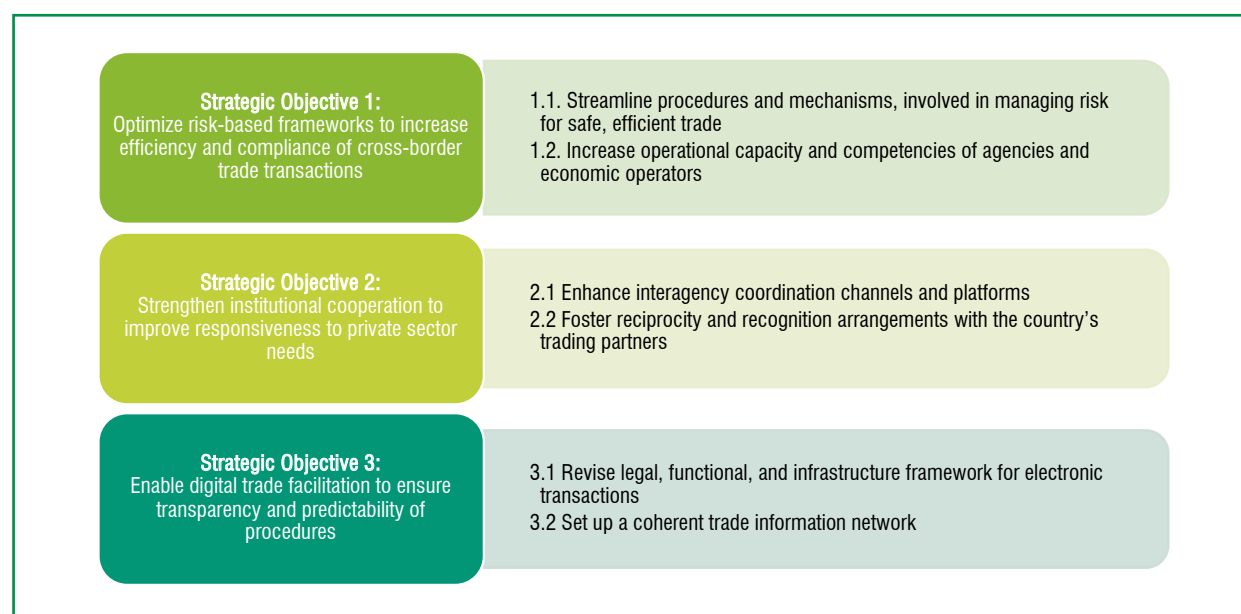
“ Viet Nam – a trusted gateway into regional markets: moving goods faster, smarter, smoother ”

Strategic orientation

The vision will be transformed into concrete results through the achievement of three strategic objectives. These objectives begin the process of focusing and prioritizing the vision. They respond to existing constraints and opportunities, identified in the analytical section.

Strategic objectives are subdivided into operational objectives that are more specific, action-oriented, and narrower in scope. Finally, the operational objectives are also broken down into concrete, practical and pragmatic set of activities, consolidated in a plan of action.

Figure 6: Strategic and operational objectives



50.– Bilateral and multi-stakeholders' consultations took place over August – November 2022.

Strategic objective 1: Optimize risk-based frameworks to increase efficiency and compliance of cross-border trade transactions.

An integrated risk management system is at the core of the trade facilitation process, aimed at enabling continuous trade flows while ensuring an acceptable conformity level and security controls. A robust risk-based framework builds, among others, on clear regulations and their harmonized application, efficient test procedures and inspections, a regular and well-coordinated interaction of multiple agencies, a recognized programme of trusted traders / authorized economic operators. Streamlined documentation, harmonized border procedures and coordination lead to resource optimization, which is crucial for dealing with complex trade environment and avoiding unnecessary bottlenecks.

An effective risk-based framework is operationalized by knowledgeable and competent agencies and economic operators. A well-trained and educated workforce is equipped with the knowledge to perform their day-to-day duties as well as to increase the efficiency of the overall trade process. Capacity building can serve as a catalyst for improved organizational productivity. At the same time, the business community is critical to improving trade compliance and need to understand their risks and responsibilities in the export-import process. Trainings, consultation, and cooperation with traders on the clearance process can also make a difference in balancing control and trade facilitation.

To encapsulate the above rationale, the following two operational objectives are proposed:

1. Streamline procedures and mechanisms, involved in managing risk for safe, efficient trade.
2. Increase operational capacity and competencies of agencies and economic operators.

Strategic objective 2: Strengthen institutional cooperation to improve responsiveness to private sector needs.

Although the role of the customs is paramount in facilitating trade, the institutional framework goes much beyond one agency. There is a diverse range of institutions involved in export-import procedures from both sides of the border. In this context, established communication channels and protocols between respective agencies are crucial to improve the efficiency and effectiveness of trade transactions, reduce the burden of compliance on

traders and increase trade volumes. From the business perspective, a well-functioning institutional framework enable traders to plan their operations and future trade activities, factoring in accurate times and documentary requirements.

Building cross-border agency cooperation with neighbouring countries and other trading partners is aimed at a more effective, transparent, and predictable export-imports process. The cross-border dimension includes the coordination of the procedures, operations, information exchange, technical assistance by relevant agencies. The foundation of this cooperation is based on solid legal and institutional frameworks and related protocols, set out through bilateral agreements between the two governments. In this context, mutual recognition agreements on conformity assessment play a vital role in optimizing the time and cost of customs clearance and controls. They allow to carry out conformity assessments by recognised conformity assessment bodies in accordance with the technical regulations of the contracting parties.

To encapsulate the above rationale, the following two operational objectives are proposed:

1. Enhance interagency coordination channels and platforms.
2. Foster reciprocity and recognition arrangements with the country's trading partners.

Strategic objective 3: Enable digital trade facilitation to ensure transparency and predictability of procedures.

The implementation of cross-border paperless trade has been accelerated with the global emergency crisis and related restrictions. Now digitalisation serves as an enabler and a current imperative to upscale trade facilitation performance. The use of modern technologies transforms the information provision, data exchange, documentation as well as the automatization of certain export-import processes (e.g., inspections, validations). Paperless trade systems encompass electronic customs declarations, electronic port management systems, electronic single windows. The system operation is a function of technical and legal frameworks enabled by efficient governance and stakeholders' engagement.

A coherent trade information network also falls within the scope of the country's digitalization efforts. The consolidation and re-engineering of the existing trade information platforms aim at improving transparency and predictability of existing regulations and enhancing

conformity from the business community. An effective trade portal is anchored in appropriate technologies, strong lead agency with established formal network with relevant institutions, a dedicated team for portal's update and maintenance. Apart from a visible, front-end interface, it is essential to define back-end protocols and procedures to enable data collection, analysis, publication, and enquiry management.

To encapsulate the above rationale, the following two operational objectives are proposed:

1. Revise legal, functional, and infrastructure framework for electronic transactions.
2. Set up a coherent trade information network.

Key areas for action

There are fundamental considerations and key areas for action that have been considered when elaborating a way forward for Viet Nam trade facilitation development.

Mutual Recognition: The building block for all successful International Agreements

MRAs require the trust and confidence of the other country in the processes and accreditation procedures of Vietnam. Where there is doubt that such processes are not transparent or can be compromised, the partner country will not enter an MRA. Once the confidence and respect of process has been established with one OECD country, others will follow as they will also respect the MRA that is signed and be prepared to enter into similar agreements. Viet Nam should seek a mentor relationship with one trading partner that already has MRA agreements with other countries and seek their technical assistance. It is essential to establish confidence with trading partners and to dispel any perceptions of cronyism, nepotism, and possible use of facilitation payments.

As MRAs cover the certification of food and technical equipment, a primary concern is safety. If the partner country has any doubt in the integrity of the issuing body, they will not take the risk and recognise the certification.

Mutual recognition is a major part of the AEO process. Cargo that is cleared or certified by an AEO in a partner country should be granted fast track privileges going into Vietnam and such concessions will be reciprocated when goods are exported to the partner country by a Vietnamese AEO. Viet Nam should consider the unilateral recognition of the AEO status of some major Japanese manufacturing and logistics investor in Viet Nam as a way of building the trust and mentoring process with a major trading partner.

- **Reference to PoA:** Activities 1.1.2, 2.2.1 – 2.2.3

Risk Management: AEOs are a core pillar of risk management mechanism.

AEOs are a fundamental risk as they take responsibility for most aspects of international shipments away from customs and thereby release resources to the customs authorities for other operations. Many the benefits of an AEO program usually fall to the customs as private sector operators need to employ extra qualified staff to carry out many of the functions previously done by customs. They must also keep accurate records and are subject to audit inspections by customs without notice. Where the AEO is a logistics service provider, customs agent, or carrier, they have the added responsibility of ensuring that their customers are compliant in addition to their own operations. The AEO status does allow service providers to streamline their operations, but their status as an AEO is essential in the marketplace. This puts the onus of compliance firmly with the AEO and requires them to monitor their own operations.

The resources released to customs through the AEO program can be used on detection and prevention of smuggling and human trafficking.

- **Reference to PoA:** Activities 1.1.1-1.1.2, 1.2.1-1.2.2, 2.2.1

Paperless trade: COVID has shown what can be done.

During COVID 19 countries across the region have shown a willingness to embrace paperless trade through the necessity for keeping goods moving; this was a quantum leap forward for many. The recent Readiness report for the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA) found no technical or legal obstacles to Viet Nam's accession to the CPTA. It recommended that Viet Nam should amend the Law on Electronic Transactions and guiding documents related to it to ensure trust of

parties participating in electronic transactions. While there are no legal impediments to paperless trade, there is still the question of trust. Although e-signatures are recognised in law, there can still be misgivings at a provincial level that prevent the full use and recognition of paperless documents. ESCAP recommended: *the Government of Viet Nam should continue providing awareness raising and capacity building programs to promote paperless trade and cross-border paperless trade.*

The lack of a proper dispute resolution mechanism for paperless trade is still out there and this should be accelerated to boost confidence in the system.

- Reference to PoA: Activities 3.1.1 – 3.1.5

Express clearance: De Minimis value is a key element.

Setting the De minimis threshold (DMT) too low, not only makes for a lot of work for customs without raising much revenue, it also restricts the economic participation rate for sole traders and SMEs. Express clearance can stimulate trade by reducing clearance and compliance costs for small businesses and sole traders. When combined with an AEO program and an interface with Global Express Association (GEA) carriers, the burden on local customs is greatly reduced. The onus of compliance can be transferred to the GEA carriers acting as AEOs and this can be extended to tax collection. The ICC, WTO and WCO are among organisations calling for higher DMT to stimulate trade. The existing level of around \$40 is too low to encourage small businesses to import and trade, especially when the cost of formal clearance is added in.

Government agencies need to weigh the costs associated with the collection of VAT and import duties against the actual value of duties collected for low-value shipments because the cost of collecting those duties can often exceed the revenue generated in some countries. In such cases, resources could be better spent elsewhere to ensure focus on sources that yield higher revenue.⁵¹

- Reference to PoA: Activities 1.1.4 – 1.1.5

Customs Brokerage: Professionalism and capacity building.

These AEOs and MRAs require suitability qualified and professional staff to be responsible for their actions. Raising the professionalism of customs brokers would be a significant step in this process. Customs clearance delays are usually blamed on customs and the clearance system. However, in many cases these delays are caused by the incorrect customs entries being made by customs brokers. This is a widespread issue in GMS and ASEAN countries.

In Viet Nam the training of customs brokers concentrates more on how to navigate the customs system and lodge entries as opposed to fully understanding the international shipping process. Having licensed brokers who are also qualified in Incoterms, HS codes, CIF valuations and shipping requirements could help to reduce the delays and reduce the opportunity for the facilitation culture. It would also be a major pillar of the AEO program and of moving toward MRAs with trading partners.

Implementation management

The implementation management of this Strategy will be integrated as one of the components of the management mechanism under an overarching National Export Roadmap.

Fundamental conditions for the effective implementation of the Strategy;

- The successful implementation of the activities in the roadmap require:
- endorsement / a high level of commitment from relevant stakeholders,

- establishment and operationalization of a public-private coordinating platform,
- proactive networking and sensitization of implementing institutions,
- the readiness of the public and private sectors to allocate/mobilize resources,
- effective monitoring mechanism.

51.– Trade facilitation for e-commerce. A. Huria, World Bank 2019



Plan of action

The plan of action, structured according to the strategic and operational objectives, contains the activities which will need to be executed in order to achieve the strategy's vision. For each activity, the plan of action specifies the following:

| 1. Optimize risk-based frameworks to increase efficiency and compliance of cross-border trade transactions. | | | |
|---|--|---|--|
| Operational objectives | Activity | Implementing agency | Timeframe & Targets |
| 1.1 Streamline procedures and mechanisms, involved in managing risk for safe, efficient trade. | 1.1.1 Establish a transparent application and approval process for AEOs, defined in Circular No. 72/2015/TT-BTC dated 12 May 2015 in cooperation with other government agencies that will be recognised by major trading partners. | | Short term |
| | <ul style="list-style-type: none"> Identify and work with a potential mentor country (Australia, Japan, US, France). Expand the AEO programme <i>scope</i> to include customs brokers and international shipping and transport companies, including foreign owned companies. Revise AEO <i>criteria</i> to place more emphasis on experience, trading history, compliance, accounting, and tax record than turnover considered. Update the <i>benefits</i> for the AEO programme to include benefits rendered by agencies other than the customs, including fast track or on-site clearance supported by recognition of electronic documents and e-signatures. Design and publish a transparent audit process for applicants with clear criteria to be met. Conduct awareness raising campaigns to traders to foster knowledge related to responsibilities and requirements to become and maintain the AEO status. | GDVC | <ul style="list-style-type: none"> The AEO Programme revised with expanded scope, criteria, and benefits; MoU(s) with mentor countries; Pilot project of AEO recognition with the mentor country (Japanese corporations in Viet Nam recognized as AEOs, training with Japan and Thailand); 150 AEOs by 2024, including SMEs. |
| | 1.1.2 Initiate negotiations on the Mutual Recognition Agreements (MRAs) for the AEO programme by a major trading partner such as Australia, Japan, or the EU. | | Medium term |
| | <ul style="list-style-type: none"> Open discussions with major trading partners to learn from their experience and define requirements for mutual recognition. Explore options for technical assistance integrated in existing Viet Nam trade agreements to build capacities and necessary expertise to conform to the requirements of partner countries for MRAs. Sign MOUs with target countries. | GDVC | <ul style="list-style-type: none"> Focal points with 2 major trading partners established; Requirements for the MRA defined; MRA workplan defined; MoUs with target countries established. |
| | 1.1.3 Finalize the implementation of Group C commitments – under the WTO TFA, as per the Customs Development Strategy and corresponding workplan. | | Short term |
| | <ul style="list-style-type: none"> The outstanding commitments are Article 1.2 Information available through Internet, Article 5.3 Test procedures, Article 7.4 Risk management, Article 8 Border Agency Cooperation, Article 10.4 Single Window. The compliance with all category commitments is scheduled for December 2024. | GDVC | Notification on the full implementation of the TFA submitted to the WTO.J8 |
| | 1.1.4 Streamline the process for the implementation of the specialized inspection (SI). | | Short term |
| | <ul style="list-style-type: none"> Implement the revision of relevant legal acts to enable paperless exchange of information for SI administrative procedures through such as the revision of Circular No. 05/VBHN-BKHCN dated 28 August 2017 in association with Decree 130 of the Government dated 27 September 2018 guiding the Law on E-transaction and the Law on Enterprise 2020. Activate the function for processing administrative documents for specialized inspection in electronic forms in the NSW portal/ e-customs. Review and simplify legal procedures for SI of low value shipments. | Ministry of Health, Ministry of Agriculture and Rural Development, Ministry of Science and Technology ⁵² | <ul style="list-style-type: none"> Legal acts of MoH, MARD, MoST revised to enable electronic documents; Function on exchange of SI administrative documents in the NSW; Legal framework on low value shipments adjusted. |
| | 1.1.5 Assess the relevance to adjust <i>de minimis threshold</i> (DMT) value to encourage wider economic participation in E-commerce and the wider economy and better allocation of resources for border agencies. | | Medium term |
| | <ul style="list-style-type: none"> Hold focus group meeting with private sector associations to get input for setting DMT. Open discussions with ICC, APEC, WTO and WCO to get inputs for setting DMT. | GDVC | <ul style="list-style-type: none"> Recommendation on <i>de minimis</i> threshold developed and implemented. |

52. – *All 3 Ministries are involved in SI, depending on product category

| 1. Optimize risk-based frameworks to increase efficiency and compliance of cross-border trade transactions. | | | |
|---|---|--|---|
| Operational objectives | Activity | Implementing agency | Timeframe & Targets |
| 1.2. Increase operational capacity and competencies of agencies and economic operators. | 1.2.1 Implement a series of professional trainings for GDVC officials at the national and provincial levels to ensure effective and harmonized application and enforcement of border regulations. | | Medium term |
| | <ul style="list-style-type: none"> Conduct a short assessment questionnaire to confirm needs and priorities for capacity building. Organize required trainings for customs officials in collaboration with specialized organizations (e.g. ICC, WCO, ITC/UNCTAD). Consider certain areas for continued improvement, including risk management, pre-arrival approvals, transshipment process. Encourage knowledge sharing within the GDVC as a sustainability measure to maintain institutional memory. | GDVC | <ul style="list-style-type: none"> Priorities for capacity building confirmed; At least 5 training programmes for priority subjects rolled out at both the central and provincial levels. |
| | 1.2.2 Organize capacity building trainings on market access and quality control requirements for domestic business service providers and the private sector. | | Short term |
| | <ul style="list-style-type: none"> Coordinate with international trade organizations on the use of ePing SPS & TBT Platform (WTO), Market Access Map and other trade intelligence databases (ITC). Seek bilateral partnerships with similar agencies/institutions (including universities) in major trading partner countries (Australia, Japan, Korea, US, Canada, EU) for capacity building and knowledge exchange. Conduct trainings for most affected sectors such as fruit growers and traders (Fruit and vegetable association). Cooperation with China to explore the feasibility of fruit market trading terminals within the Vietnamese territory. | Ministry of Industry and Trade, in partnership with VCCI | <ul style="list-style-type: none"> 4 training courses on the use of databases conducted with development partners (e.g., ICC, ITC, UNCTAD, WTO); Partnerships with agencies such as AusTrade, Jetro, Korean Trade Commission (KTC); Academia: Australian National University (Canberra), LSE Harvard University. |
| | 1.2.3. Develop and roll out a standardized training-of-trainers (ToT) programme to build the capacities of sector associations and regional chambers of commerce in online research, data collection, market profiling, in particular market access requirements. | | Medium term |
| | <ul style="list-style-type: none"> Elaborate a capacity building programme: a curriculum, a trainers' manual, a participant handbook, and related PowerPoint presentations; Organize a training for selected representatives of sector associations / institutions, prioritized for the pilot project, as a result of this training, provide an accreditation to successful training participants as a business trainer authorized to further conduct this training to the association's members; Support the implementation of the training by the accredited trainers in their respective associations. | VCCI | <ul style="list-style-type: none"> One modular ToT programme developed, including the methodology, training materials for trainers and trainees; The programme piloted in 5 priority sector associations/trade support institutions. |
| | 1.2.4 Devise and implement a capacity building programme for SMEs, including customs brokers, in Vietnamese (current exporters as well as export-oriented) to increase knowledge of export-related procedures, platforms, and databases. | | Medium term |
| | <ul style="list-style-type: none"> Develop digital training modules on export-related procedures, including legal and documentary requirements; finance requirements; customs declaration and e-customs system; the general risk management; Organize the training for exporting and export-oriented enterprises at the central level as the pilot phase; Roll out the training for SMEs at provincial level. <p><i>The activity aims at providing exporting/export-oriented enterprises with risk-based approaches and promote compliance at both central and provincial levels.</i></p> | Ministry of Industry and Trade | <ul style="list-style-type: none"> One modular programme on export process for SMEs developed in Vietnamese. At least 150 enterprises trained as part of the pilot phase of the programme. At least 250 SMEs trained annually. |
| | 1.2.5 Build public-private competencies of MOIT to proactively engage with the private sector; consider establishing the secretariat unit to support MOIT in trade-focused public-private dialogues. | | Medium term |
| | <ul style="list-style-type: none"> Provide trainings on public-private cooperation and engagement. Arrange study visit and networking events. Develop manuals, handbooks. Share experiences in arranging and monitoring PPD workflows. Cooperate with GDVC to learn about their approach to the cooperation with the private sector. <p><i>Reference to Trade policy dialogue in Vietnam – report on private and public stakeholder perceptions.</i></p> | Ministry of Industry and Trade | <ul style="list-style-type: none"> At least 2 MOIT officers trained on engagement with the private sector. |

| 2. Strengthen institutional cooperation to improve responsiveness to private sector needs. | | | |
|--|---|---------------------|--|
| Operational objectives | Activity | Implementing agency | Timeframe & Targets |
| 2.1 Enhance interagency coordination channels and platforms. | 2.1.1 Adjust the structural and operational components of the V-NTFC. | | Medium term |
| | <ul style="list-style-type: none"> Establish operational sub-committees to provide technical guidance and report to the main committee body, implement and follow up on Committee's decisions. Engage more active participation from the private sector: <ul style="list-style-type: none"> » Expand the participation of associations in the V-NTFC and/or its working groups. » Invite written submissions from associations. » Strengthen the role of VCCI with more sectoral focus. » Consider the perspectives of provincial associations and SMEs. <i>(Reference to Trade policy dialogue in Vietnam – report on private and public stakeholder perceptions)</i> | Ministry of Finance | <ul style="list-style-type: none"> V-NTFC structure adjusted to include sub-committees and promote stronger engagement with the private sector. |
| | 2.1.2 Promote inter-agency coordination at domestic level to mutualise and synchronize controls and inspections in cross-border trade. | | Medium term |
| | <ul style="list-style-type: none"> Formalize regular communication between internal border agencies through regulations and related standards operating procedures (SoPs) and protocols; Define communication channels and assign focal points; Develop a cost-benefit analysis and feasibility of targeting centres, aimed at managing and integrating multiple information and intelligence flows. | GDVC | <ul style="list-style-type: none"> Regulations and related SoPs and protocols introduced for regular structured communication between border agencies; Recommendation on the relevance of targeting centres developed. |
| | 2.1.3 Use Greater Mekong Subregion Cross-Border Transport Facilitation Agreement (GMS CBTA) and customs forums to establish border management and cooperation (dialogues/workshops). | | Long term |
| | <ul style="list-style-type: none"> Activate participation in joint border management committees functioning between East West Economic border (EWEC) at Lao Bao, Lao border (Na Phao international border gate, connecting route n12 through Lao), Moc Bai-Bavet border with Cambodia; Define country's negotiating positions/agenda to promote border cooperation with external partners within the GMS CBTA; This could also be done through regional NTFC (National Transport Facilitation Committee) meetings and through the GMS senior official meetings (SOMs). | NTFC | <ul style="list-style-type: none"> Joint border management committee functioning between EWEC border at Lao Bao, Lao border (Na Phao international border gate, connecting route n12 through Lao), Moc Bai-Bavet border with Cambodia |
| | 2.1.4 Explore and adopt, where possible, the interoperable electronic authentication for cross-border trade with key trading countries, as encouraged under the ASEAN Agreement on e-commerce. | | Medium term |
| | <i>(Link to the Strategy on Digital transformation)</i> <ul style="list-style-type: none"> Tap on the expertise available through international cooperation to develop a list of e-authentication technologies to be used for cross-border e-authentication. Develop a pipeline of interoperability pilot projects for e-authentication, in cooperation with the key international trading partners. | MOIT | <ul style="list-style-type: none"> At least 5 pilot projects identified. |

| 2. Strengthen institutional cooperation to improve responsiveness to private sector needs. | | | |
|--|---|---------------------|---|
| Operational objectives | Activity | Implementing agency | Timeframe & Targets |
| 2.2 Foster reciprocity and recognition arrangements with the country's trading partners | <p>2.2.1 Prioritise mutual recognition agreements (MRAs) with key trading partner countries as part of FTAs.</p> <ul style="list-style-type: none"> Explore the provisions on technical assistance under existing FTAs to build acceptable level of expertise and experience for mutual recognized exchange of documents. Engage with FTA partner countries to seek support for process auditing as a pathway to negotiating mutual recognition agreements; <ul style="list-style-type: none"> » Approach APEC, JICA, EU, Korea, Australia, US; » Explore the feasibility of mutual recognition of e-certification of phytosanitary (e-Phyto) and technical standards (e-TBT) to facilitate exports of agricultural and industrial products, encouraged under ASEAN Agreement on e-commerce. <p>Mutual recognition is fundamental to establishing trade lanes, supported by the exchange of data and pre-arrival information, certification, etc.</p> | MOIT | <p>Medium term</p> <ul style="list-style-type: none"> MRA with one major trading partner covering certification (2024); Adding another trading partner each year thereafter. |
| | <p>2.2.2 Finalize/Promulgate MoUs to enable mutually recognized information exchange.</p> <ul style="list-style-type: none"> With South Korea in support of a Mutual Recognition Agreement to coordinate the exchange of e-certificates of origin. With New Zealand for phytosanitary and sanitary certificates to minimize the time for verifying, cost, and clearance time for businesses. Other potential partners for cross-border paperless exchange of C/O forms, export declarations, and SPS certificates are Australia, US, EU, Japan, China are on the list for future negotiations. | MOIT | <p>Short term</p> <p>MoUs with South Korea and New Zealand promulgated;</p> <ul style="list-style-type: none"> Outreach to at least 3 other key trading partners implemented. |
| | <p>2.2.3. Negotiate implementing one-stop inspection systems for cross-border trade, building on the experience of system between Lao Bao (Viet Nam) and Densavan (Lao PDR).</p> <ul style="list-style-type: none"> Nominate a focal point to lead the collaboration of border management institutions at provincial level. Reach out respective counterparts in Lao PDR and Cambodia. Negotiate MoUs with partner countries for the system implementation. Check the legal framework to enable officers to carry out their duties in the neighbouring country territory. | NTFC | <p>Medium term</p> <ul style="list-style-type: none"> One-stop inspection system negotiated for (1) Na Phao international border gate, route 12 border with Lao PDR, and (2) the Moc Bai-Bavet border with Cambodia. |
| | | | |

| 3. Enable digital trade facilitation to ensure transparency and predictability of procedures. | | | |
|---|---|---|--|
| Operational objectives | Activity | Implementing agency | Timeframe & Targets |
| 3.1 Revise legal, functional, and infrastructure framework for electronic transactions. | 3.1.1 Promulgate Law on Electronic Transactions to create a safe regulatory environment in the context of Industry 4.0 and surge in e-transaction demand. | | Short term |
| | <ul style="list-style-type: none"> Confirm the relevance of the drafted document with the business community, if any substantial adjustments are envisaged; Raise awareness about the new legal framework on electronic transactions, its implications, and practical application to the related government agencies, trade and investment support institutions, business support organizations, and the business community. | Ministry of Information and Communication | <ul style="list-style-type: none"> Law on Electronic Transactions in effect. Four (4) awareness raising campaigns implemented at the National and provincial levels. |
| | 3.1.2 Promote the use of digital identity among the private sector to realise cost savings by increasing process efficiency. | | Medium term |
| | <ul style="list-style-type: none"> Raise awareness about newly introduced Decree No. 59/2022/ND-CP on electronic identification and authentication. Enable a harmonized implementation of the regulations on e-signature across the country; ensure that soft and hard infrastructure is in place at the provincial level; adjust the legal basis to authorize safe e-signature use for business process. <p><i>This activity is linked to 3.1.1.</i></p> | Ministry of Information and Communication | <ul style="list-style-type: none"> At least 4 awareness raising campaigns implemented for enterprises at the central and provincial levels (e.g., through associations); Public officers trained on the harmonized application of the new legislation. |
| | 3.1.3 Promulgate Decree on Personal Data Protection to establish a comprehensive data protection legal framework, consolidating fragmented provisions under a set of legal instruments, including sector specific laws and regulations (e.g., commerce, banking, finance). | | Medium term |
| | <ul style="list-style-type: none"> » Confirm the relevance of the drafted document with the business community, if any substantial adjustments are envisaged; » Raise awareness about the new legal framework on Personal Data Protection, its implications, and practical application to the related government agencies, trade and investment support institutions, business support organizations, and the business community. | Ministry of Public Security/Ministry of Information and Communication | <ul style="list-style-type: none"> Decree on Personal Data Protection in effect. Two (2) awareness raising campaigns implemented at the National and provincial levels. |
| | 3.1.4 Structure a centralized, integrated Customs information technology system to support cross-border paperless trade. | | Long term |
| | <ul style="list-style-type: none"> Build on the existing systems of VNACCS/VICIS/VASSCOM, considering Application Programming Interfaces (APIs) to allow partner agencies to choose and customize what information to extract and how to display it on their websites. Incorporate automated analytics and operations, based on new technologies such as big data, artificial intelligence, and the blockchain. Streamline the e-payment system, already integrated in the e-customs Portal to avoid fragmentation of the system. Integrate the function for road arrivals by sending manifest in advance to customs. | GDVC | <ul style="list-style-type: none"> A centralized, integrated Customs information technology system operationalized. |
| | 3.1.5 Pilot the integration of e-payment function for selected export/import procedures implemented via the NSW Portal. | | Medium term |
| | <ul style="list-style-type: none"> Based on the experience of e-customs, develop, and implement technical, operational, and legal modalities for electronic payments for 1-2 procedures. Actively engage banks for discussion to ensure their involvement and support in e-payments. Provide guidelines on the use of e-payment methods for the facilitation of export-import procedures (publish guidelines on the trade facilitation portal as well as within the relevant section of the NSW). Organize an awareness raising campaign to the business community, with the focus on SMEs, regarding the e-payment feature in the NSW. | Ministry of Finance | <ul style="list-style-type: none"> An e-payment function in NSW developed and piloted; At least 4 awareness raising campaigns implemented through sector associations or other channels. |

| 3. Enable digital trade facilitation to ensure transparency and predictability of procedures. | | | |
|---|---|---------------------|--|
| Operational objectives | Activity | Implementing agency | Timeframe & Targets |
| 3.2 Set up a coherent trade information network. | 3.2.1 Upgrade/Re-engineer the National Trade Information Portal into a coherent trade intelligence network that aggregates and publishes all trade-related regulatory information in relation to imports, exports, transits, or trans-shipments. The following actions are required: <ul style="list-style-type: none"> Assign a clear government mandate to the lead agency responsible for portal's maintenance to empower it to collect, manage and share trade related regulatory information. Formalize responsibilities and accountability mechanisms between the lead agency and contributing agencies through memoranda of understanding / cooperation to keeping information up to date. Select and implement an optimal structure model for the portal's operation, based on the revision of the existing Viet Nam trade-related web platforms (consider centralized, decentralized, and hybrid models as per UNCTAD's roadmap to the NTIP). | NTFC | Short term <ul style="list-style-type: none"> Lead agency assigned; MoUs between the lead agency and other agencies/institutions establishing information exchange; A TIP upgrade plan developed and implemented. |
| | 3.2.2 Appoint a TIP management unit within the lead agency tasked with developing and implementing the Portal with the required technical resources and skills. | | Short term |
| | <ul style="list-style-type: none"> Train assigned team on the back-end operationalization and administration of the portal. Develop standardized implementation manuals on website content management, technical maintenance, social media. | NTFC | <ul style="list-style-type: none"> A TIP management unit formalized and trained. |
| | 3.2.3 Implement information campaigns to promote available digital and online tools to stakeholders through the following actions. <ul style="list-style-type: none"> Media coverage (press, brochures, web presence and social networks). Engagement with the private sector through workshops, focus groups, forums, or thematic meetings). Disseminating information on other sites (embedding and APIs* data exchange techniques such as web services) *Note: Application Programming Interfaces (APIs), can be used to allow partner agencies to choose and customize what information to extract and how to display it on their websites. | MOIT | <ul style="list-style-type: none"> At least 2 awareness raising campaigns implemented annually. |
| | 3.2.4 Develop a harmonized Enquiry Management System (EMS) within the existing Trade Information Network to ensure effective and timely response to business needs: <ul style="list-style-type: none"> Integrate the contact details enquiry points for each administrative step along the export-import process; establish a space for users to submit questions. Assign a point person to handle the queries, either by answering or by referring to a relevant institution. Create an automatic response message that confirms to users that their message is being handled and refer users to the FAQ section in the meantime. Answer queries within a reasonable period to be determined by the Government. | MOIT | <ul style="list-style-type: none"> EMS integrated and piloted within the TIP. |

References

1. ASEAN portal: <https://asw.asean.org/index.php/archives/agreements/item/memorandum-of-understanding-on-the-implementation-of-the-asean-single-window-pilot-project>
2. ASEAN Single Window and Links to e-Phyto: https://assets.ippc.int/static/media/files/publication/en/2018/02/GhazaliZakaria_ASW_25January_dBhUkbh.pdf
3. ASEAN Single Window: Achievements, Benefits, and Future Plans, 2020 <https://www.dropbox.com/s/cremp710r53861y/ASW%20all%20in%20One-final%20draft-Jan%202020%20all%2010%20AMS.pdf?dl=0>
4. ASEAN trade facilitation is the driving force of regional economic recovery: <https://thitruongvietnam.vn/hoi-nhap/thuan-loi-hoa-thuong-mai-asean-la-dong-luc-cua-phuc-hoi-kinh-te-khu-vuc-225732.html>
5. Businesses' Satisfaction with Import-Export Administrative Procedures, Findings from the 2020 Survey: http://vibonline.com.vn/wp-content/uploads/2021/07/HAI-QUAN-EN_20210709.pdf
6. Coordinated Border Management: From theory to practice, World Customs Journal, http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/research/research-paper-series/19_cbm_polner_en.pdf?db=web
7. Cross-border Paperless Trade Toolkit, WTO, UNESCAP, UNCITRAL, 2022 https://www.wto.org/english/res_e/booksp_e/paperlesstrade2022_e.pdf
8. Digital and Sustainable Trade Facilitation: Global Report 2021: <https://www.unescap.org/kp/2022/untf-survey-2021-global>
9. Ensuring effective trade policy dialogue in Vietnam – interim report on private and public stakeholder perceptions, Swiss Trade Policy, and Promotion Project, 2022
10. Final Report: Support and Increase the Role and Effectiveness of the Vietnam National Trade Facilitation Committee, Trade Facilitation Program, USAID, 2020
11. Helble, Mann and Wilson, 'Aid-for-trade facilitation'
12. ICC rules: <https://iccwbo.org/resources-for-business/incoterms-rules/incoterms-2020/>
13. Integrating SMEs in Authorized Economic Operator Certification: Improving SME Participation in APEC Secure Trade APEC Sub-Committee on Customs Procedures, 2021: https://www.apec.org/docs/default-source/publications/2021/2/integrating-smes-in-authorized-economic-operator-certification/221_sccp_integrating-smes-in-authorized-economic-operator-certification-2.pdf?sfvrsn=8c0ca64c_1
14. Managing Risk for Safe, Efficient Trade, Guide for border regulators, ITC, 2022
15. Business Satisfaction and Time Needed to Carry out Administrative Procedures through the National Single Window: <http://vibonline.com.vn/wp-content/uploads/2020/11/>

Business-satisfaction-and-time-needed-to-carry-out-administrative-procedures-through-the-national-single-window.pdf

16. Organisation for Economic Co-operation and Development (OECD), 'Getting goods across borders in times of COVID-19'
17. Trade Facilitation Best Practices in Use of Expedited shipments, the case of US, WTO case studies
18. Trade facilitation for e-commerce. A. Huria, World Bank 2019
19. United Nations Global Survey on Digital and Sustainable Trade Facilitation, 2021: <https://www.untfsurvey.org/>
20. Viet Nam National Single Window <https://vnsw.gov.vn/profile/detailNews.aspx?id=277>
21. World road transport organisation (IRU) <https://www.iru.org/news-resources/newsroom/talks-tir-progress-vietnam>
22. WTO News on Viet Nam: https://www.wto.org/english/news_e/spra_e/spra120_e.htm
23. WTO, Trade Facilitation Agreement Facility, retrieved on 02.08.2022 from: [<https://tfafacility.org/>]

Annex I: Inventory of the trade support network and development projects

| Policy Support Network | |
|---|--|
| Ministry of Industry and Trade (MOIT) | |
| Planning Department: | Perform the function of advising and assisting MOIT in state management in the field of construction, management, and implementation of strategies, planning and plans; statistical; invest; industry development programs and schemes. |
| Foreign Trade Agency | Advise and assist MOIT in state management and law enforcement in the fields of import and export activities, origin of goods, international goods purchase and sale, purchase agent, selling, processing and transiting goods with foreign countries. |
| Science and Technology Department | Advise and assist MOIT in the state management of science and technology; innovation; food safety; biotechnology; biological safety; product standards, measurement, and quality; intellectual property in industry and trade. |
| Asia and Africa Market Department | Consult and manage policies and development of economic, trade and industrial relations of Viet Nam with countries, territories, regions, economic and trade organizations in specific regions. |
| America and EU Market Department | |
| Multilateral Trade Policy Department | Advise and assist the Minister in State management of economic and trade integration within the framework of cooperation with WTO, ASEAN, between ASEAN+ ; APEC; ASEM; UNCTAD and other international economic and trade organizations and negotiating international trade treaties. |
| Viet Nam Trade Promotion Agency (VIETRADE) | Provide consultancy, management, and supervision of trade & investment promotion activities. VIETRADE's main office is in Hanoi (North Viet Nam). It has 5 representative offices in Da Nang city (Middle Viet Nam), Ho Chi Minh city (South Viet Nam), New York City (USA), Chongqing city (China) and Hangzhou province (China). VIETRADE is leading all trade promotion activities. |
| Centre of Technology Application in Trade Promotion (INTEC) | Provide IT services to support the Trade Promotion Agency and local trade promotion unit in promotional activities to diversify export markets, customers, and partners. |
| Local Trade and Industry Agency | State management in formulating, managing, organizing the implementation of strategies, planning and plans; statistical; invest; programs and schemes. Responsible for monitoring trade offices in 63 cities/provinces of Viet Nam |
| E-Commerce and Digital Economy Agency (iDEA): | Function management in e-commerce and digital economy activities; organizing and managing public services serving the State management |
| Ministry of Planning and Investment (MPI) | |
| Enterprise Development Agency | Support development of small and medium-sized enterprises, business development, and innovation. |
| Foreign Investment Agency | Formulate strategies, plans, mechanisms, and policies on foreign and offshore investment; organize investment promotion activities, guide investment procedures. |
| Ministry of Agriculture and Rural Development (MARD) | |
| International Cooperation Department | Advise and synthesize country's official positions for related international cooperation and international integration. |
| Agricultural Processing and Market Development Department | (AGROTRADE) Responsible for market development for agriculture, forestry, and fishery products; coordinate market development activities. |
| Ministry of Health | |
| Vietnam Food Safety Authority / VFA | A specialized agency subordinated to the Ministry of Health, which performs the task of advising and supporting the Minister of Health in state administration and law enforcement in the field of food safety. |
| Drug Administration of Vietnam | Advise and assist the Minister of Health in state management and law enforcement in the field of drug administration nationwide under the responsibility of the Ministry of Health including imported and exported drugs. |
| Ministry of Science and Technology | |
| Directorate for Standards, Metrology and Quality | Perform functions for State management on standards, metrology, and quality, and provide technical services for individuals, organizations nationwide regarding testing, inspection, and certification. |
| Ministry of Transport | |

| Policy Support Network | |
|--|--|
| International Cooperation Department | Advise and assist the Minister in the management of international cooperation and integration in the transport sector. |
| Ministry of Finance (MOF) | |
| Agency of Enterprise Finance | Provide state management on enterprise finance; perform finance management. |
| General Department of Customs (GDVC) | Advise and assist the Minister of Finance in state management of customs and organize customs law enforcement nationwide. |
| Trade services network | |
| Viet Nam Institute of Industrial and Trade Policy and Strategy (VIOIT) | Coordinate with relevant organizations to formulate strategies, plans, schemes, projects, programs, and policies for the development of industries and fields in industry and commerce. |
| Centre of Industry and Trade Information (VITIC) | VITIC has function of collecting, synthesizing, analysing, and providing information about economy, industry, trade, market, traders for state management. |
| Central Institute for Economic Management (CIEM) | Scientific research organization under the MPI, conducts research on mechanisms and policies for economic management and enterprise development; conducts consultancy activities. |
| Institute of Agricultural and Rural Development Policy and Strategy (IPSARD) | Provide multi-dimensioned and multi-media information to support decision-making process in management, production, trade, and investment relating to agriculture and rural development. |
| Commission for the Management of State Capital at Enterprises (CMSC) | Represents State owner for enterprises of which 100% charter capital is held by the State and the state capital invested in joint-stock companies, multi-member limited liability companies. |
| Business services network | |
| Viet Nam Chamber of Commerce and Industry (VCCI) | Promote the development of the business community; promote and support trade and investment activities; and perform other business activities for the business community in Viet Nam and abroad. Represent the business community participating in the process of developing legal documents, related to enterprises and commercial business activities. |
| Viet Nam Textile and Apparel Association (VITAS) | Group of enterprises working in the field of professional textile, garment and apparel production, export, consumption, and services in Viet Nam. |
| Viet Nam Leather, Footwear and Handbag Association (LEFASO) | A social professional organization of Vietnamese organizations and citizens, doing business in leather footwearhandbag industry. |
| Viet Nam Steel Association (VSA) | VSA is an NGO which includes manufacturing, processing, and trading of steel products, raw materials and service organizations related to the steel industry in Viet Nam. Its purpose is to promote cooperation among its members and provide trade promotion for its members. |
| Viet Nam Association of Seafood Exporters and Producers (VASEP) | VASEP members include leading Vietnamese seafood producers and exporters with companies providing services in seafood sector. VASEP aims to coordinate and link enterprises operations, to improve value, quality, and competitive capacity of Vietnamese seafood producers, to enhance source of raw material for seafood export, to represent and to protect legal interests of members. |
| Viet Nam Association of Small and Medium Enterprises (VINASME) | VINASME is a social – professional organization which aims to enhance cooperation and support among its members. VINASME is also a link between SME and the government, representing member interests in policy/strategy setting process. |
| Viet Nam Association for Supporting Industries (VASI) | An independent, non-governmental and non-profit organization representing manufacturing and supporting industries in Viet Nam. The activities of VASI mainly include improving member capacity through training and counselling; business matching with domestic buyers and exporters; providing business intelligence. Members contribute ideas to the Government, major corporations, and other partners. |
| Viet Nam Automobile Manufacturer Association (VAMA) | Encourage the development and progress of the Vietnamese automotive industry; Engage in automotive research and development programs as well as to ensure high environmental protection in Viet Nam. |
| Viet Nam E-Commerce Association (VECOM) | VECOM is a social organization consisting of companies, organizations and individuals conducting business in e-commerce; applying e-commerce in their operating process; researching and providing e-commerce services. The Association operates on a voluntary and non-profit basis, for the purpose of gathering, uniting, cooperating, and supporting members to develop e-commerce. |
| Viet Nam Logistics Business Association (VLA) | VLA is a professional associated organization established voluntarily by the organizations, enterprises, and citizens of Viet Nam, which have registered to operate in the freight forwarding and trade logistics industry. VLA's purpose is to cooperate, associate and help each other in developing professional activities, improving business efficiency, and protecting the legal interest of the members and interacting with professional organizations in the region and the world. |

| Policy Support Network | |
|---|--|
| Viet Nam Plastic Association (VPA) | VPA is a voluntary NGO of businesses operating in the field of scientific research, production, and sales of plastic products. The purpose of the Association is to link, cooperate and support each other in terms of economics and technology in research, production, business, service, and product value enhancement; represent and protect the legitimate interests of members. |
| Viet Nam Pulp and Paper Association (VPPA) | The main objective is to gather, organize and create conditions for members to cooperate, join forces and support each other; provide advisory services; provide related domestic and international information in engineering, environment, markets, manufacturing, sales, management, training, and investment. |
| State Enterprises | |
| Viet Nam National Textile and Garment Group (VINATEX) | Biggest among textile & garment sector, it has 45 member companies, up to 80,000 employees. Its export revenue is USD 3 billion. |
| Viet Nam National Coffee Corporation LTD (VINACAFE) | VINACAFE has 45 member companies and accounted for 30% of Viet Nam's coffee bean export share. |
| International Chamber of Commerce | |
| British Chamber of Commerce (BBGV) | Business matching; business advisory; market studies, export opportunities; business in Viet Nam. |
| European Chamber of Commerce (EUROCHAM) | |
| Australian Chamber of Commerce | Business matching; business advocacy activities. |
| American Chamber of Commerce | Development of trade and investment between the United States and Viet Nam; business matching; collaborate with other international & local organizations on mutual interest. |
| Nordic Chamber of Commerce | Facilitate and increase two-way investments, business and trade flows between Viet Nam and the Nordic countries. |
| Viet Nam Business Forum (VBF) | VBF was established in 1997 as a not-for-profit, non-political platform for a public-private dialogue. Key VBF objectives include creating pathways to long-term and sustainable business performance, promoting the interests of national and international business community in Viet Nam, and enhancing investment and trade in local and overseas markets. VBF works to provide research, legal analysis, identification of problems and practical solutions. |
| Trade-Related Projects | |
| ARISE+ Project | The EU funded project "Technical Assistance for the ARISE+ Programme in Viet Nam", of which this assignment is a part, aims at providing technical assistance to the Vietnamese Government to maximise Viet Nam's benefits from preferential trade regimes. It has a focus on regional agreements and the EU-Viet Nam Free Trade Agreement (FTA) and the Investment Protection Agreement (IPA). The total budget is EUR 6 million for the duration of 5 years. |
| USAID Trade Facilitation Program | The five-year USAID Trade Facilitation Program (2018 – 2023) aims to support the Government of Viet Nam (GVN) to adopt and implement a risk management approach to customs and specialized inspection agencies. This program will strengthen the implementation of the World Trade Organization's Trade Facilitation Agreement (TFA) of which both Viet Nam and the United States are members. In total, the USAID Trade Facilitation Program has over 20 ongoing activities, including work related to the National Single Window, supporting customs in improving e-customs, analysis of TFA implementation in Viet Nam, developing reforms of AEO system, etc. Total budget for the five-year project is \$21.7 million. |

Annex II: Participants engaged during the consultations

| Name | Designation | Company or institution |
|---|---|--|
| Bui Quang Hung | Director, Export Promotion Center | Vietrade |
| Hoang Ha | | Trade facilitation office |
| Le Dai Duong | Director of SGS Quang Ninh, Business Manager of Mineral Services | SGS Vietnam |
| Le Tieu Minh | Founder | Viet Nam Logistics Joint Stock Company (Vinalogistic) |
| Le Xuan Linh | Deputy Director | Viet Xo Vegetable and Fruit Jsc. |
| Multi-sector group consultation: Pham Minh Quang Dinh Sy Minh Lang Tran Duy Hung Hoang Ha | Agency of Industries; Science & Technology Department; Planning Department; Department for US EU markets; Department for Asia Africa; markets PMU | MOIT |
| Nguyen Anh Duong | Head of Researching Department | Central Institute for Economic Management CIEM |
| Nguyen Dinh Vuong | Deputy Director of Hanoi Branch | SITC Bondex Vietnam Logistics Co., Ltd |
| Nguyen Kim Thoa | Component 3 coordinator | Vietrade |
| Nguyen Thi Minh Trang | Customs Officer, International Cooperation Department | General Department of Vietnam Customs |
| Nguyen Thi My Huong | Deputy General Director | Xuan Cuong Corporation |
| Pham Minh Quang | Senior Officer | European-American Market Department, MOIT |
| Pham Thi Cam Anh | Research Pillar | WTO Chair Program |
| Pham Thi Ngan | Logistics Deputy Manager | Piaggio Vietnam |
| Phan Thi Thu Hien | Head of International Business Department, School of Economics, and International Business | Foreign Trade University |
| Representative | National agro-forestry-fisheries quality assurance department (NAFIQAD) | Ministry of Agriculture and Rural Development |
| Tran Chi Dung | Member of Executive Committee | Vietnam Logistics Business Association (VLA) |
| Representative | Directorate for Standards, Metrology and Quality, Quatest 1 | Ministry of Science and Technology |
| Representative | Vietnam Food Safety Authority / VFA | Ministry of Health |
| To Manh Linh | Vice Marketing Director | Vina Control |
| Tran Duy Hung | | Policy planning office |
| Tran Thi Lan | Head of Import-Export Department | Nam Phuong Investment and Trading Company Limited |
| Trinh Thi Ngan | Head of Advisory Board | Hanoi Small and Medium Enterprises Association |
| Nguyen Thi Thanh Hoa | Director | Eubiz Viet Nam., Jsc |
| Nguyen Hoai Nam | Deputy General Secretary | Vietnam Association of Seafood Exporters and Producers (VASEP) |
| Nguyen Thuy Duong | Deputy Head of Legislation and Inspection Department | Vietnam Food Safety Authority (VFA) |
| Tran Nhat Nam | Deputy Head of Legislation and Inspection Department | Vietnam Food Safety Authority (VFA) |
| Phung Thi Lan Phuong | Head of FTA Department | Center for WTO and International Trade VCCI |
| Nguyen Kim Thoa | Officer | Vietrade |