Mid-Year Vietnam Business Forum calls for increased Transparency and Access to Information in the business sector

June 9, 2015. Towards Transparency (TT) notes a number of comments made by delegates at the mid-year Vietnam Business Forum in Hanoi, with the theme ***Enhancing Enterprise Competitiveness for Global Integration*.**

In particular, we are pleased to see broad agreement by both the business community and government leaders on the need to continue pursuing strategies to reduce and eliminate corruption in Vietnam. TT supports government efforts to reduce corruption and looks forward to even greater cooperation and collaboration between government agencies and the private sector.

> ***"Optimizing the local market economy and administrative procedure reform will enhance transparency and fight corruption."***
>
> *Prime Minister, His Excellency, Mr Nguyen Tan Dung*

The American Chamber of Commerce in Vietnam notes "it is time to address corruption in a wider fashion by implementing systems well known to reduce the opportunities for illegal payments as well as incorporating a code similar to the U.S. Foreign Corrupt Practices Act (FCPA) or the UK's Bribery Act. A significant step forward would be to take actions that greatly limit the use of cash payments and face-to-face transactions, and to increase the use of e-Commerce in

Vietnam" and calls for increased fairness and transparency in market-based access to credit. Additionally, it is important to understand that "the ease of doing businesses and a level playing field, inconsistent regulatory interpretations, enforcement and unclear laws remain significant challenges – as does corruption."

The VBF Banking & Capital Markets Working Groups both mentioned the need for improvements in financial sector technology to reduce cash handling and improve transparency, following global financial rules to reduce corruption, bureaucracy and improve the regulatory framework.

The International Finance Corporation (IFC) said 'Overall, the country should improve its investment climate through transparency and predictability… and pay adequate attention to business networks. The Government should engage the private sector more actively in the formulation and implementation of related policies and reforms."

The Japan Business Association called for transparency in the oversight of police, food safety authorities and the master plan for the sector.

The **World Bank** reinforced the need for the Government's resolve to fight corruption to remain a priority.

The **VBF Investment and Trade Working Group**, when discussing arbitration, sought "…more transparency in the system. There should be public information available regarding the number and substance of cases submitted for judicial recognition and enforcement. The result of those applications should be published along with the judicial reasoning underlying them."

> ***"Businesses still faced challenges in 2014. Key ones included transparency in access to regulatory documents from Government agencies, lack of predictability in changes in rulings by regulatory agencies, law enforcement not conducive to businesses, firms facing administrative procedure hurdles***

> ***as well as a return to old fashioned governance approaches in specific sectors with tightened market entry criteria hurting businesses”.***
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> *The President of the Vietnam Chamber of Commerce & Industry, Dr Vu Tien Loc*

VCCI commented specifically about the extractive industries sector “To create a healthy competitive environment for businesses, the Government should enhance the transparency of information on the licensing of mineral activities, the collection and spending of business’s contributions… the Government has to perform “the Extractive Industries Transparency Initiative” in mining industry (EITI). According to the principles of the initiative, Government and business together publicize information related to licensing and financial obligations. Thus, businesses can easily access to information in the process of developing and implementing project.”

In summary, many delegates called for **greater transparency and improved access to information**.

These two principles, we believe, are critical to the ongoing modernisation and development of Vietnam’s business sector and will contribute to the nation’s ability to take full advantage of the coming benefits from international trade agreements. We urge the government to prioritise collaboration with the business community to agree on strategies that will enable corruption to be reduced and for enterprises to become fully competitive in an increasing globally integrated market./.