



TOWARDS
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BUSINESS INTEGRITY IN HIGH TECH PARKS IN VIETNAM: A SURVEY REPORT



Hong Duc Publishing House

Towards Transparency (TT) is a Vietnamese non – profit consultancy company founded in 2008 to contribute to prevention of and fight against corruption. In March 2009, TT became the official National Contact of Transparency International (TI) – the global movement with more than 100 national chapters worldwide. TT’s vision is a Vietnam free of corruption where people enjoy social justice, accountability and transparency in all aspects of life. TT’s mission is to reduce corruption in Vietnam by increasing demand and promoting measures for transparency, accountability and integrity in government, business and civil society at large.

www.towardstransparency.vn

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1. FOREWORD

Corruption risks are a growing concern for companies in Vietnam, especially for FDI companies, which increasingly mitigate them with adopting and implementing solid anti-bribery programs. Vietnam's Ministry of Planning and Investment is in the process of drafting a new FDI strategy for 2018-2023, focusing on priority sectors and quality of investments, rather than quantity. The new draft aims to increase foreign investment in high-tech industries, rather than labor-intensive sectors. At the same time, Vietnam's legislation, in line with its international commitments, is recognizing the fact that corruption in both public and business sectors should increasingly be tackled when building a business integrity environment, propitious to attract local as well as foreign investment.

In this context, Towards Transparency, the national contact of Transparency International in Vietnam, conducted a survey with the help and kind cooperation of the management boards of the three national high-tech parks, located in Hoa Lac (Ha Noi), Da Nang and Ho Chi Minh City. The survey aimed at assessing how their tenant companies deal with corruption risks.

The results are very encouraging, as a high proportion of companies interviewed have implemented anti-bribery strategies, while many others are in the process of doing so or considering doing it, provided they get some assistance. I hope that many others will follow suite and increasingly recognize that anti-corruption programs actually increase their competitive advantage by decreasing costs and increasing sustainable growth.

Mrs. Pham Chi Lan
Former Vice President of Vietnam Chamber of Industry and Commerce (VCCI)
Member of Toward Transparency's Advisory Board



2. EXECUTIVE SUMMARY

This survey on business integrity provides a snapshot of bribery challenges faced by companies in the three national high-tech parks, located in Hanoi, Da Nang and Ho Chi Minh City, as well as the existing measures put in place to mitigate these risks. The survey provides recommendations to the high-tech parks' Boards of Management and their tenant companies as to how further build a business integrity culture, emphasizing that high-tech parks' experience could be replicated elsewhere in Vietnam.

The key findings and recommendations to relevant stakeholders can be summarized as follows.

FINDINGS

Promoting a culture and environment of integrity helps facilitate companies' ethical behaviors. Despite widespread corruption in Vietnam according to global and domestic indices, the survey results suggest that companies operating in a compliant "territory" located within a high corruption risk environment, can avoid or limit their engagement in bribery. Indeed, all companies interviewed recognized an integrity enabling environment in the three high tech parks, where Boards of Management took initiatives in streamlining administrative procedures within their authority and support firms dealing with bribe requests from other government agencies. A majority of companies indicated their will to avoid bribes unless facing dilemma that would severely affect their business operations.

Time has come to change the "cultural" mindset. Among a significant number of local companies, the perception of bribery as a part of the Vietnamese "business culture" and as "unavoidable" has led to an acceptance of informal payments in daily business transactions. In other words, corruption is not always viewed as a concern since many local companies consider that facilitation payments and gifts are a way of doing business in Vietnam, helping facilitate government routine services. However, with business and legal environment rapidly changing globally, it is now time to change the business mindset in Vietnam. Progressively eliminating facilitation payments is also a critical component of supporting wider societal aspirations of combating corruption.

Local companies have much space to develop anti-bribery systems, but need support. While corruption affects all companies, differences in size and nationality affect the way corruption risks are tackled. Foreign companies are more experienced with regard to ethics and compliance policies, most of which are developed, implemented and monitored by their headquarters. Multinational firms tick almost all boxes in the list of anti-bribery measures put in place, while smaller foreign companies often implement somehow simpler compliance systems. With the exception of a few large Vietnamese groups, local companies still lag behind. A group of local companies looking to expand their business or join global supply chains

are however motivated to improve their situation but lack resources and capacity to develop their internal compliance and controls' system. Other local companies do not see yet the need to adopt solid compliance systems in their daily struggle to maintain their business.

RECOMMENDATIONS

The report recommends concerted efforts of multi-stakeholders to continue building an integrity culture.

Firstly, Boards of Management of high tech parks should continue streamlining administrative procedures and enhancing integrity initiatives. They could consider gradually adopting international anti-bribery standards or practices, bringing along tenant companies in this journey.

Secondly, companies can do more to develop and implement their internal compliance and control systems. A good corporate compliance program including clear policies and procedures will help build trust and reduce the cost of doing business. Large firms could do more to move beyond internal anti-bribery compliance and address bribery risks in their supply chain. The same benefits apply to SMEs so long as the systems put in place are proportionate and coherent with their business' activities.

Thirdly, other government agencies play a key role in reducing bribery. Although well known, recommendations aimed at changing government officials' mindset from abusing given authority to serving businesses, such as setting-up transparent routine service procedures, are key to allowing business integrity efforts to develop and spread across. Moreover, the government should encourage and facilitate integrity initiatives to happen, such as supporting the replication of existing good practice in the three hi-tech parks.

Fourthly, business associations and other non-state actors (civil society organizations, academia, media) have a role to play in promoting business integrity through organizing anti-bribery training on best practices and experience sharing among companies in the same sectors. Regular anti-bribery updates on global and regional compliance trends and requirements of foreign firms would gradually raise awareness of local firms on the importance of anti-bribery commitment in maintaining or expanding their business.

3. INTRODUCTION

3.1 CONTEXT FOR ANTI-CORRUPTION WORK IN THE VIETNAMESE PRIVATE SECTOR

As pointed out by several studies, corruption is a challenge for companies doing business in Vietnam. A Vietnam Business Forum study conducted in 2017 suggested that corruption risk posed a significant risk for foreign invested companies in the country. Bribery was seen as a fact of business life, with many companies viewing it as an issue that nothing could be done about it¹. Another recent survey pointed out that companies' trust in the state in detecting and handling corruption is limited². More broadly, Vietnam is ranked 107th in Transparency International's Corruption Perceptions Index 2017³. According to the World Economic Forum's figures, out of 137 countries surveyed, Vietnam is in 81st position for Ethics and Corruption and in 109th position for Irregular Payments and Bribes⁴.

Business ethics and anti-bribery compliance are important aspects of good corporate governance, which is still at an early stage of development in Vietnam. Despite great strides undertaken by Vietnam, such as the rules developed for Vietnam's stock market during the last two decades, the country still ranks lowest among six ASEAN member countries (Indonesia, Malaysia, Philippines, Singapore and Thailand) in corporate governance⁵. This context explains the early stage of corporate anti-bribery related policies and enforcement in Vietnam. There are however some bright spots contributing to change for the better in the current landscape. Some of the largest Vietnamese companies have established their corporate compliance and anti-bribery policy in line with international best practices. Smaller local suppliers are increasingly aware of requirements by their foreign business partners to strengthen their anti-bribery systems. Also, it is important to recognize that a number of integrity and anti-bribery initiatives were instigated during the last few years in Vietnam, even though much remains to be done to translate awareness into action⁶.

¹ Analysis of corruption risk for investors in Vietnam, February 2017 (<http://www.vbf.org.vn/en/documentation-center/governance-and-transparency-working-group.html?view=docman>)

² Anti-corruption in doing business: An Assessment from enterprise perspective, Towards Transparency (TI's National Contact in Vietnam), 2017 with support from the British Embassy in Vietnam (https://towardstransparency.vn/wp-content/uploads/2017/05/4.-BUSINESS-CASE-REPORT_Executive-Summary_ENG.pdf).

³ https://www.transparency.org/news/feature/corruption_perceptions_index_2017

⁴ <https://www.weforum.org/reports/the-global-competitiveness-report-2017-2018>

⁵ ASEAN Corporate Governance Score Card Report 2015 <https://www.adb.org/sites/default/files/publication/375481/asean-cgscorecard-2015.pdf>

⁶ Vietnam Government Business Integrity Initiative, From awareness to action, VCCI March 2018

Such practices take root in a growing global trend, whereby countries such as the United States, the United Kingdom, France and others have been stringently enhancing enforcement of their anti-bribery legislation (US Foreign Corrupt Practices Act, UK Bribery Act, Sapin II Law, and similar legislation in other exporting countries⁷) resulting in rigorous implementation of corporate compliance programs in their daily operation in emerging markets. At the same time, consumers are increasingly caring about firm's social responsibilities including environment impact and social values. Nevertheless, small and medium enterprises, both foreign and Vietnamese, are facing challenges in acting ethically when doing business in high corruption risk environment.

The Government of Vietnam has taken various measures to improve the business environment and build an integrity state. The legislative environment is changing with the recent revision of the Penal Code, whose broadened scope now includes corruption offences in the private sector. A revised Law on Anti-corruption will most likely be adopted by the National Assembly in its 2018 autumn session. Some best practices of corporate compliance are being proposed in the current draft. In January 2018, the Prime Minister issued Resolution 01/NQ-CP on "Major Tasks and Solutions to implement the 2018 National Socio-Economic Development Plan and the 2018 State Budget Proposal", pushing forward public administration reform and the continuation of anti-corruption measures. New regulations on corporate governance (Decree 71/2017/ ND-CP of May 6th, 2017) provide guidelines applicable to public companies and include key aspects of good governance such as prevention of conflicts of interest and information disclosure of publicly listed companies.

3.2 OBJECTIVES OF THE SURVEY

This study aims to gather evidence on corruption challenges faced by tenant companies in Hoa Lac, Da Nang and Sai Gon high-tech parks, as well as information related to their existing anti-bribery programs designed to mitigate these risks. The three parks were chosen for their commitment to a transparent business environment towards building investors' confidence. Our assumption is that such environments enable companies to avoid bribery to a certain extent. In addition, high-tech companies being oriented towards exporting their products and services, were assumed to have more opportunities to do business without bribery.

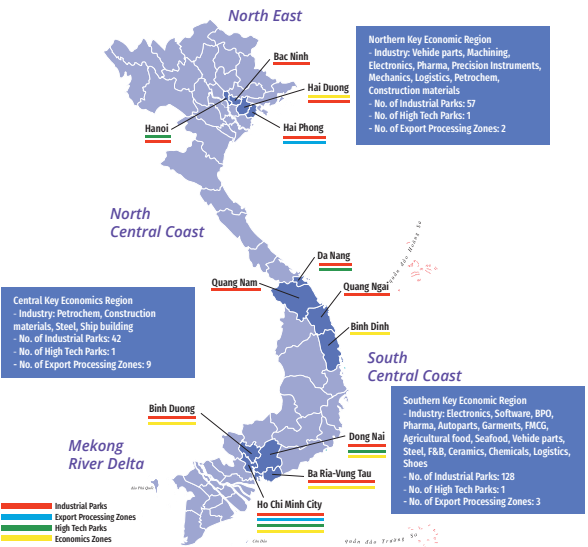
Sai Gon High-Tech Park (SHTP) has been a

⁷ Other countries to have introduced robust anti-corruption legislation and enforcement in recent years include Canada, Australia, Germany, Norway, Sweden.

pioneer in promoting business integrity in Vietnam. In 2007, SHTP’s Management Board and Intel Vietnam signed a Memorandum of Understanding on a “Commitment on business ethics and code of procedure to align with regulations, commitment to anti-corruption, kickbacks, and other forms of abuse of power”. In 2011, SHTP set up a business ethics platform to provide anti-bribery resources and support tenant companies reporting on bribery cases. As a follow-up, SHTP continued enhancing business integrity through awareness raising and training on compliance tools with support from Towards Transparency during the years 2013-2016. To date, SHTP’s management board has signed Memoranda of Understanding with 23 tenant companies committing to promote integrity. An online-tracking function was established to help firms to self-assess their compliance systems to identify gaps for improvement⁸. This initiative is recorded in United Nation’s Global Compact Handbook (Practical Guide for Collective Action against Corruption) as an innovative example amongst collective action initiatives that are emerging around the world.

Moreover, the three above-mentioned high-tech parks have signed a Memorandum of Understanding in September 2016 committing to a transparent and healthy environment to promote investment in the parks.

3.3 LOCATIONS OF HIGH TECH PARKS IN ECONOMIC REGIONS



Source: <http://www.vietnam-briefing.com/news/choosing-sourcing-partner-vietnam.htm>

4. METHODOLOGY

This survey report is based on 34 interviews of tenant companies and Boards of Management of the three national high-tech parks. The tenant companies interviewed represented one third of the total number of firms operating in the three high-tech parks. The interviews were carried out from March 12th to May 2nd, 2018. Interviews were scheduled with senior representatives (Managing Directors, Human Resources Directors, Financial Directors and Compliance Managers) of the participating firms. Each interview lasted approximately one hour. A questionnaire was developed to guide the interviews (see Annex 3). The questionnaire’s structure draws on corporate best practices in anti-bribery, including Transparency International’s principles and tools for countering bribery⁹ and ISO 37001-Anti-bribery Management System: 2016. Questions were designed to gather information on areas where corruption risks can occur, and on which measures tenant companies take to deal with corruption risks, including their approach to requests for bribes. The questions cover both private-to-public and private-to-private bribery. The survey covers six areas:

1. Perception of corruption risk
2. Procurement
3. Conflict of interest prevention
4. Routine government services
5. Gifts and entertainment for public officials
6. Anti-bribery programs

The survey is designed to keep strictly anonymous the data provided by participating companies. The names of respondents and their companies are therefore not included in the report. The order of appearance of the companies’ number in Annex 4 (quantitative results) is different from the order of appearance of the companies in Annex 2 (anonymized information on participating companies).

Profiles of companies interviewed are illustrated in Figures 1 to 3 below, while an anonymized summary is provided in Annex 2. It is worth noting that a majority of interviewed companies (both foreign and local) mainly export their products. Only a small number of companies sell products in the domestic market, among which 4 companies have transaction with state agencies or companies.

⁸ See <http://cocforum.shtp.hochiminhcity.gov.vn>

⁹ https://www.transparency.org/whatwedo/tools/business_principles_for_countering_bribery/1

FIGURE 1 - PROFILE OF FIRMS INTERVIEWED

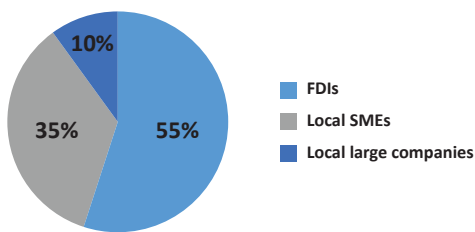


FIGURE 2 - FIRMS PER INTERVIEWED SECTOR

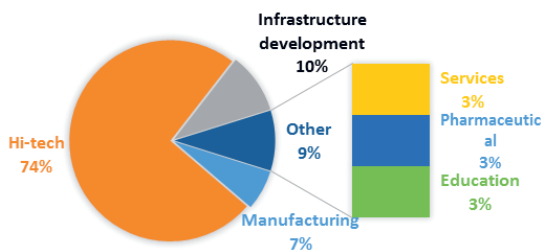
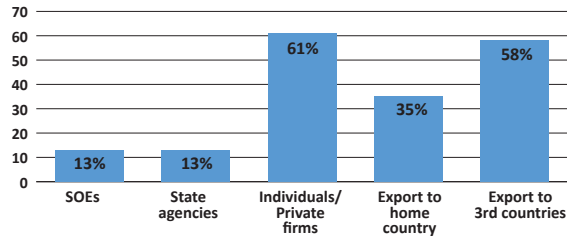


FIGURE 3 - CUSTOMER GROUPS AND EXPORT STATUS



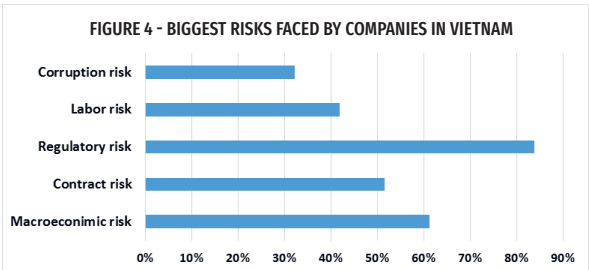


5. SURVEY FINDINGS

5.1 GENERAL PERCEPTION OF BUSINESS RISKS

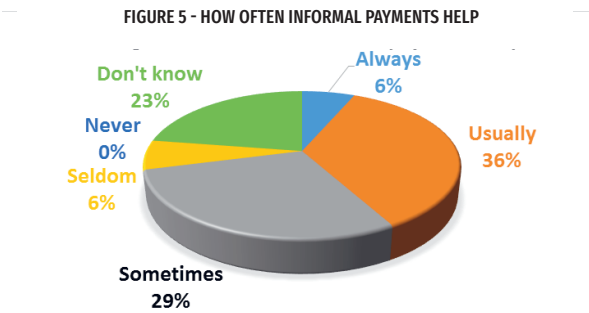
1/3 of participating firms rank corruption among the three highest risks, while regulatory, macro-economic and contractual risks are topping the list

For the other 2/3 of companies doing business in the 3 national high-tech parks, corruption risk is also an important problem, but is not among their top 3 concerns (see figure 4). This statement can be partly explained by the fact that most interviewed companies operate in high-tech industries sector which output is mostly or entirely geared for export, therefore having limited exposure to high risk transactions in Vietnam's market. Only 7 of the companies interviewed (13%) have business transactions with SOEs or state agencies¹⁰ while the remaining (87%) of the companies sell to private companies or export their products to foreign markets¹¹.



Nonetheless, routine government services are highly perceived as opportunities for abusing entrusted power by government officials

Half of the companies say that government officials use compliance with local regulations to extract informal payments from businesses. Interestingly, these informal payments do not always help. In a follow up question¹², only 42% of the respondents were of the opinion that if a company pays the required "additional payment", the services would be delivered.



¹⁰ See Question 7 and 8 in Annex 4
¹¹ See Question 8 in Annex 4
¹² See Question 14 in Annex 4

When asked what happens if a company does not make an informal payment¹³, 1/5 of the respondents think that services will not be delivered as expected. Besides, 29% of respondents, whether they give bribes or not, state that "sometimes the services are delivered as the company expected". They further explain that it depends on specific circumstances: Informal payments could help facilitate the process, avoid delays or government officials' repeated requests for additional documents or acceptance of supporting documents in grey areas of regulation.

The cost of bribery does not appear to be a serious concern among firms interviewed¹⁴

A majority of companies are unaware of the ratio of informal payment to total company revenue. A quarter of the respondents estimate this figure to be less than 1% of the company's turnover; some interviewees stressed that this low percentage does not mean that the amount is insignificant, as in the case of large MNCs.

5.2 PROCUREMENT

Bribery in public procurement remains a common practice

Although only four of the companies interviewed engage in public procurement, three of them confirmed bribery practice in winning contracts with government agencies¹⁵. This finding is consistent with data gathered in Provincial Competitiveness Index, where percentage of companies agreeing that commissions on government contracts remain around 54-58% during the years 2013-2017¹⁶.

Bribery in private procurement does not appear to be so dominant, but gifts and entertainments are still a common practice

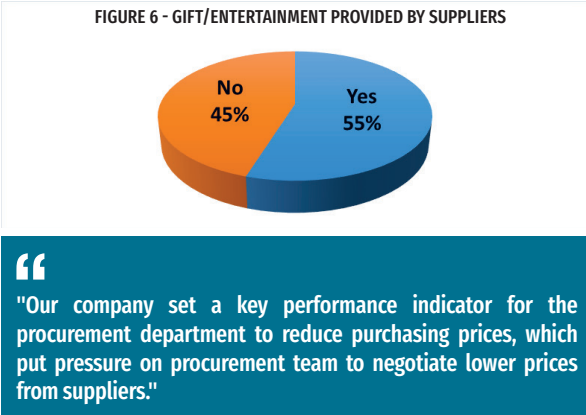
More than half of the interviewees (55%)¹⁷ admit that their companies or staff receive gifts or entertainments mainly on the occasion of Tet (Vietnamese traditional New Year). Interestingly, only one company receives gifts or entertainment from business suppliers on the award or renewal of contracts.

Regarding these questions, the data shows a clear difference between foreign and local companies. More than 70% of those not receiving gifts or entertainment on any occasion including Tet holidays are foreign companies. These latter companies explain that they inform suppliers about corporate compliance policies at the time

¹³ See Question 14 in Annex 4
¹⁴ See Question 12 in Annex 4
¹⁵ See Question 17 in Annex 4
¹⁶ <http://eng.pcivietnam.org/publications/full-report-2017/>
¹⁷ See Question 19 in Annex 4

of contract signing. The policy also provides clear guidelines to staff on forbiddance of accepting gifts or invitation for meals or other entertainments with customers or suppliers. If their managers or staff have meals with business partners, they invite guests to their canteens or pay for their own expenses at outside restaurants. In contrast, many local companies admit that gifts and entertainment remain part of the business culture, mitigating the negative consequences by the low value of gifts, often less than VND 1 million.

Interestingly, some local staff of foreign companies attending the interviews commented that in many cases, they use their own money for facilitation payments to get their job done without reporting to senior management.



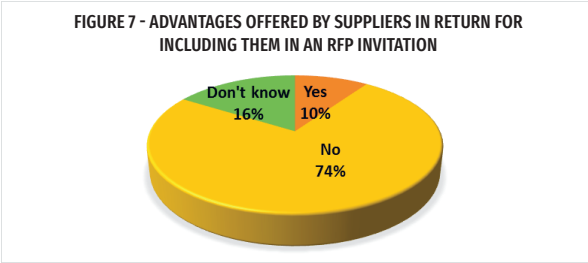
Overall, respondents believed that informal payments are not widespread in private procurement as both sellers and buyers strictly “watch” their money. Suppliers tend to compete by competitive pricing, not by giving gifts or paying for entertainments. As a matter of practice, suppliers often look for reputable buyers, who have transparent procurement policies in place to guarantee timely payments in accordance with contractual terms.

On the buyer side, several companies stated that when kickbacks are offered by suppliers as an incentive to secure contracts, they request suppliers to transform these kickbacks into official discounts. As for smaller size companies, those directors using simple procurement process are confident that they can prevent their staff from receiving bribes as they engage themselves in selecting suppliers and overseeing the procurement process.

Figures 7 below shows that three quarters of companies believe that their employees have not been offered any advantage, including money or goods or services or a commercial favor in return for including a supplier in a Request for Proposal invitation and shortlisting¹⁸. When asked if there is any chance this practice could happen without them being aware, most respondents say that it might be the case. However, a majority of

¹⁸ See Question 24 in Annex 4

respondents are confident that their staff follow corporate policies (code of conduct, signed commitment and compliance policy). In addition, they believe training and severe punishment deter their staff from such violations.



A transparent procurement procedure is recognized as a vital element by companies interviewed when asked about their experience in dealing with bribery in procurement¹⁹. The system needs to prevent any individual influence during implementation. In addition, regular communication and training to staff and vendors are required to increase awareness of policy and sanctions. Strict implementation of company's policy is equally important; for example, any high value gifts above certain thresholds stated²⁰ in the policy must be returned. Nonetheless, the level of detail of procurement policy and procedures in place in smaller companies remains unclear.

“My company is ISO 9100 certified, thus we follow standard procurement requirements”

Over-invoicing or underpricing is not an alarming issue for either foreign and local companies

Nearly 90% respondents were confident that their companies do not practice any over- or underpricing although three of them had been asked to issue an invoice for services or goods at an amount lower or higher than the agreed value of the services or goods provided. All foreign companies stated that it is not the case. Some large local companies stated that they have strict internal compliance policies and systems as well as staff trained in accounting principles. Smaller local companies do not have such policies, but reported strictly controlling the use of invoices due to a lower number of transactions.

5.3 CONFLICTS OF INTEREST

A conflict of interest, according to Transparency International's definition, is a situation where “an individual or the entity for which they work, whether a government, business, media outlet or civil society organization, is confronted with choosing between the duties and demands of their position and their

¹⁹ See Question 27 in Annex 4

²⁰ See Question 21 in Annex 4

own private interests". Conflicts of interest are not themselves evidence of wrongdoing. Nonetheless, where conflicts of interest are inadequately managed, there is a high risk of corruption.

Management of conflicts of interest is generally less developed as compared to other compliance measures among the companies interviewed, including foreign firms.

The survey found that firms are aware of the conflict of interest concept to some extent, but often do not have written procedures for managing it.

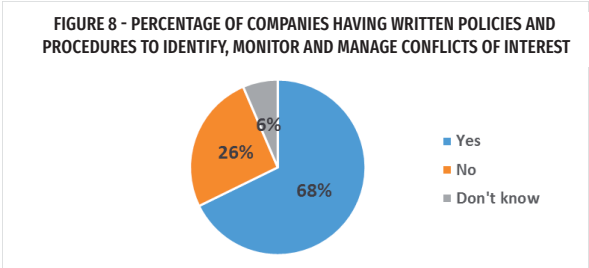
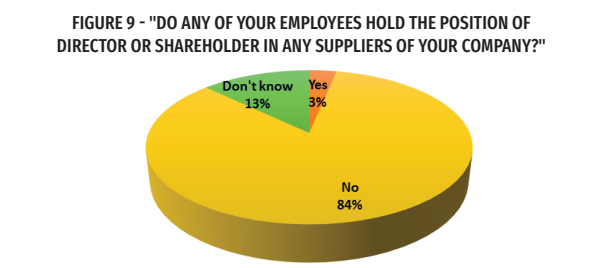


Figure 9 below shows that 84% of the respondents are confident that their company's employees do not hold the positions of directors or majority shareholders in any of their suppliers. A set of follow-up questions, however, shows a lack of written policies and procedures to systematically manage such cases. The number of firms having written rules declines when asking about specific corporate guidelines. Indeed, 68% of the firms have general written policies and procedures to identify, monitor and manage conflicts of interest²¹. However, only 45% have written rules or procedures, whereby their officers and management personnel must declare any personal interest in a transaction with third parties²². The number of firms having written rules or procedures on staff to declare any outside interests is even lower (23%)²³.



The non-existence of comprehensive conflict of interest policies shows that most companies interviewed have not yet caught up with best practices in effective corporate governance, but believe in their capacity to control risks in their daily operation. This could be explained further when looking at perceptions regarding the correlation of conflict of interest and cost of business below²⁴.

²¹ See Question 35 in Annex 4
²² See Question 32 in Annex 4
²³ See Question 33 in Annex 4
²⁴ See Question 28 in Annex 4

Companies' perception of correlation between conflicts of interest and business cost is divided

Almost half of the companies (45%) are of the view that conflicts of interest will increase the purchase price²⁵. However, more than one third of the companies (39%) disagree with that statement. Some respondents explain that having personal or family contacts with suppliers helps receiving better product quality or terms of payment. Evidently, nepotism and cronyism are still inherent in the mindset of the Vietnamese entrepreneurs.

In terms of public communication, there is still room for improvement

The conflict of interest policy is published on websites of 39% of the companies interviewed. However, with the exception of a few very large companies, most of these companies only publish conflict of interest policy on their intranets²⁶.

5.4 ROUTINE GOVERNMENT SERVICES

“My company was entitled to a large VAT refund, which was delayed for two years. Once the headquarters involved a third party to perform their service of the first transaction, a government official suggested the Director to use a third party introduced by him with a lower cost. I had no choice but to accept at my own cost as the refund amount is really significant and the company could not afford any further delay.”

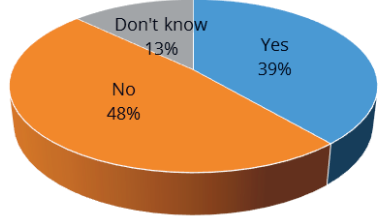
Perception of corruption in routine government services is lower among high tech parks tenant companies than in other economic sectors

39% of the respondents state that they were asked to informally pay cash or give other informal advantages to a public official in order to allow or speed up a routine government service²⁷. In comparison, the PCI 2017 data showed that 61% of companies in Vietnam agree that government local officials use compliance to extract rents²⁸. How to explain such a difference? The discrepancy in favor of high-tech parks is most likely related to the streamlining of administrative procedures implemented over time by the Boards of Management in the three high-tech parks. These include issues such as investment licenses, land and labor permits.

Interviews conducted with the three Boards of Management demonstrated clear commitments of their leaders to create a transparent and enabling business environment within the parks.

²⁵ See Question 34 in Annex 4
²⁶ See Question 37 in Annex 4
²⁷ See Question 38 in Annex 4
²⁸ <http://eng.pcivietnam.org/data-catalog/pci-data/>

FIGURE 10 - PERCENTAGES OF COMPANIES REQUESTED TO PAY CASH/ OTHER ADVANTAGES INFORMALLY TO PUBLIC OFFICIALS

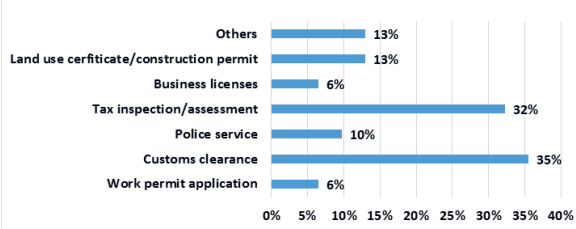


On the supply side, a “bribery is a way of doing business” mindset continues to exist among a large group of companies

Strikingly, out of the 48% of companies that were not requested to pay, some local firms volunteered to give facilitation payments to reduce time for handling administrative procedures, to avoid requests for additional documents or to reduce their tax and customs duties.

The frequency of informal payments is hard to estimate as it depends on the number of routine service transactions with government agencies or visits in situ by government authorities. Among government agencies, customs and tax agencies are the most cited by firms, with 35% and 32% of the firms respectively claiming to have made informal payments²⁹. A foreign company gave as an example a fixed amount of VND 200,000 per declaration form collected by the local customs authority on a monthly basis. Inspections on fire safety, hygiene and environmental compliance were types of services that occasionally led to “unreasonable requirements” demanded by government inspectors.

FIGURE 11 - TYPE OF SERVICES CONCERNED BY INFORMAL PAYMENTS



Requests by officials to engage third parties in dealing with government services are infrequent

Data analysis shows that 65% of the companies were not asked to use third parties to assist with the completion of government services³⁰. However, sometimes companies choose to hire consulting or law firms to conduct government services on their behalf due to a lack of understanding on regulations or limited internal resources. Globally, companies operating in emerging markets are paying more attention

²⁹ See Question 40 in Annex 4

³⁰ See Question 42 in Annex 4

to due diligence on third parties. This growing trend has already or will eventually have impact in Vietnam, starting already clearly with FDI companies. It is expected that local firms’ awareness will gradually build up through their interaction with foreign partners.

The practice of formally asking companies to recruit government officials’ relatives is infrequent³¹

Such requests are made in 26% of the cases; but these requests are only formulated as a suggestion, not as a compulsory condition. All companies stated that they followed regular recruitment process, even in such cases.

When asked about the cost of bribes, one third of the responding firms think that the percentage of informal payments to turnover is below 1% of the total turnover. While values vary depending on the firm’s turnover, the general perception is that facilitation payments are the main form of bribery.

When asked about their experience in dealing with bribery requests by government officials, companies stated that they first try to be compliant with regulations to avoid informal payments. Nevertheless, many local companies and even some foreign companies admitted that bribery is rooted in the system and that they cannot simply ignore it. One coping strategy cited by some interviewees is to consider informal payments on a case-by-case basis.

5.5 GIFTS AND ENTERTAINMENT TO GOVERNMENT OFFICIALS

Gift giving and accepting as well as entertainment are considered as important “lubricants” in facilitating business relationships. However, in well-developed anti-bribery legislations, acceptance of gifts and entertainment may leave a company vulnerable to accusation of unfairness or unlawful code of conduct³².

³¹ See Question 43 in Annex 4

³² The Ethics of Gift and Hospitality, Institute of Business Ethics, Issue 29, November 2012

Box 2 – Gift and Hospitality under the FCPA

The Foreign Corrupt Practices Act of 1977 (FCPA) governs the worldwide activities of U.S. companies and their employees. In general, the FCPA prohibits offering, paying, promising to pay, or authorizing payment of money, gifts, or anything of value to a foreign official:

- (i) to influence any act or decision by the official;
- (ii) to induce the official to use his or her influence to affect any act or decision; or
- (iii) to seek any improper advantage to assist the company in obtaining or retaining business.

The FCPA covers payments made directly or indirectly, including those made through third parties while knowing that all or part of the payment would be passed on to a foreign official. “Anything of value” includes much more than just cash or cash equivalents. It can include the payment of travel expenses, providing services, outings, or other entertainment not customary to a particular business transaction, assumption or forgiveness of debt, personal favors, offers of employment, and even charitable donations

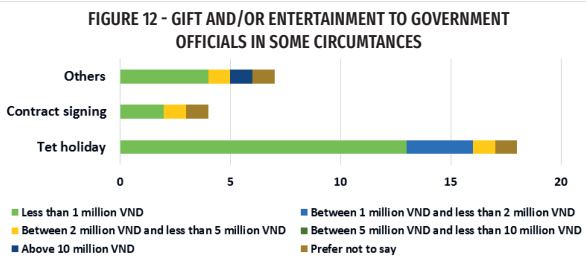
A good practice in corporate governance is for companies to provide guidance on gift giving and accepting in their Code of Conduct. The Code of Conduct often outlines the company’s position on gift and hospitality, sets out principles whether gift or hospitality are legitimate. Possible red flags are gifts or entertainment given with an expectation to influence the business relationship, timing and whether gifts and hospitality become lavish.

Gift and entertainment remain a popular practice among local Vietnamese firms while foreign companies, including those from other Asian countries, have stricter rules. Almost half of the companies interviewed (45%) thought that they were expected to provide gifts or entertainment to government officials in some circumstances, such as Tet and mid-autumn festival³³. This statement comes mainly from local companies, that view giving gifts in Tet occasion as part of the Vietnamese culture, which does not necessarily indicate a corruption problem since the gifts are typically of low value (often below VND 1 million). They also stated that they volunteered to give gifts or invite government officials to entertainment events.

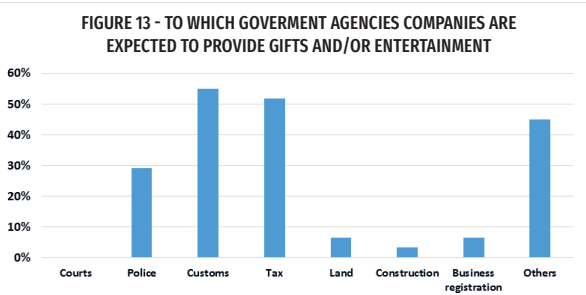
³³ See Question 45.1 in Annex 4

“Tet is an important traditional occasion in Vietnam to give gifts to maintain good relationship with our business partners”

Similarly, gifts on occasion of contracts awarded were voluntarily offered by firms with a view to keeping good relationship with their clients’ staff. Again, local culture might contradict with foreign anti-bribery and even with Vietnamese legislations. The key question is how to regulate gifts and entertainments in the legal framework and have companies design and implement corporate policies which prevent cultural practices from turning into bribes.



Consistently, 68% of the companies do not consider requests for gifts or entertainment by government officials as an area of concern³⁴. When asked if companies were refused a government service because it had not met a government official’s expectation of receiving a gift and entertainment, 77% of the companies answered negatively³⁵.



When asked about companies’ experience in dealing with gift requests, foreign companies state that they have a clear gift and entertainment policy. On the other hand, local firms often accommodate such requests, including facilitation payments, to get their business done³⁶. The general view is that it is a common practice provided that the amounts requested are reasonable.

Paying for government officials (and their relatives) to travel at companies’ expense is not an issue

80% of companies do not expect to pay for government officials’ travel to corporate events abroad³⁷. Even when such expectations are

³⁴ See Question 51 in Annex 4
³⁵ See Question 52 in Annex 4
³⁶ See Question 53 in Annex 4
³⁷ See Question 45.2 in Annex 4

expressed, companies do not feel strongly that these are for personal gain, but are rather linked to a professional purpose.

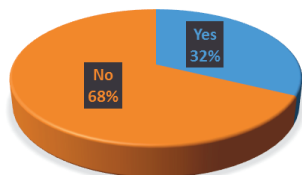
5.6 WHERE TENANT COMPANIES STAND ON COUNTERING BRIBERY

Development of anti-bribery policy and program are not common practice for both foreign and local SMEs

Large foreign companies demonstrated more comprehensive systems in place and higher awareness of ethical rules in doing business compared to foreign SMEs. Similarly, a few large local companies have adopted such systems in some form, but the majority of smaller local companies interviewed do not have written policies or procedures, leading to inconsistent and uneven implementation of anti-bribery practices. This situation being recurrent internationally, specific anti-bribery tools have been developed to support SMEs. Regarding Vietnam, the question is how to encourage SMEs to do more through legal regulations, training and incentives. At the same time, and for practicable reasons, caution is required to adopt a proportionate approach for SMEs, which typically have much more limited human, technical and financial resources than larger firms.

Corruption risk assessments are conducted by one third of the companies interviewed, mostly by foreign firms (Figure 14)

FIGURE 14 - PERCENTAGE OF COMPANIES THAT CONDUCT CORRUPTION RISK ASSESSMENTS

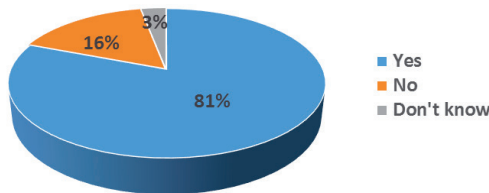


This could be explained by the fact that foreign companies often carry out such assessments before deciding to invest in Vietnam or as part of their routine monitoring of compliance policy implementation.

Due diligence assessments are regularly conducted, but not always for anti-bribery purpose

Figure 15 shows that 4/5 of companies are carrying out all or some of the basic elements of due diligence such as business history, financial situation and legal compliance of their suppliers³⁸. However, corruption is typically not a key element of due diligence assessments, showing a lack of attention to this issue among companies interviewed. On the other hand, 71% of companies are aware that they are being assessed with due diligence by business partners³⁹.

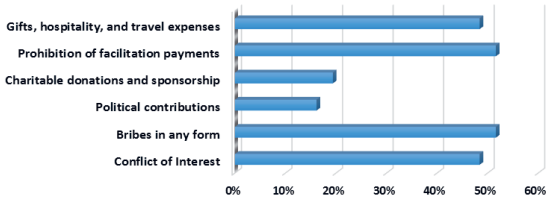
FIGURE 15 - PERCENTAGE OF COMPANIES WHICH CONDUCT BASIC DUE DILIGENCE OF THEIR SUPPLIERS



Encouragingly, certain policies prohibiting bribery are put in place, but again mainly by foreign companies

Almost 2/3 of the companies have published anti-bribery policy while 1/5 of them have such policy in some form⁴⁰. More than half of the companies interviewed prohibit facilitation payments in their policy, while nearly half (48%) of companies have gift and entertainment policies and a similar number of companies (not necessarily the same ones) have policies on conflict of interest⁴¹. Only 55% of the interviewed companies have tailored training programs for directors, staff and agents⁴².

FIGURE 16 - DETAILED POLICIES AND PROCEDURES WHICH ARE INCLUDED IN ANTI-BRIBERY PROGRAMS OF INTERVIEWED COMPANIES



Only one third of companies interviewed committed to a comprehensive anti-bribery program.

Anti-bribery program monitoring is reflected in various internal procedures and practices, but at different levels

Among companies having an anti-bribery policy or program, 61% stated that their Board of Directors demonstrates visible and active commitment to their implementation⁴³. 58% of firms have an Executive Director responsible for ensuring that the Program is implemented consistently with clear lines of authority⁴⁴. For local companies, it is less clear how this commitment is demonstrated during daily operation.

Communication to staff and business partners is recognized as a key principle of a good anti-bribery program

Almost 2/3 of the companies interviewed focus their communication on anti-bribery to their staff⁴⁵. Only 2/5 of the respondents require suppliers, agents and other intermediaries to agree contractually to comply with their company's anti-bribery policies and procedures and provide them with advice and documentation⁴⁶.

³⁸ See Question 56 in Annex 4

³⁹ See Question 58 in Annex 4

⁴⁰ See Question 59 in Annex 4

⁴¹ See Question 61 in Annex 4

⁴² See Question 69 in Annex 4

⁴³ See Question 62 in Annex 4

⁴⁴ See Question 63 in Annex 4

⁴⁵ See Question 67.1 in Annex 4

⁴⁶ See Question 67.2 in Annex 4

With the exception of a few very large companies, anonymous hotlines to report on corruption incidents are not available among the companies interviewed⁴⁷

Although a whistleblower hotline is a helpful tool for a company to provide a confidential channel for employees to report issues to management and reduce possibility of inappropriate actions or fraud, it is rarely used among respondents. Instead, 48% of the companies state that they publish management's phone numbers for staff to report on any issue they wish.

Publishing an anti-bribery policy and program⁴⁸ is one of best practices to demonstrate a company's commitment to anti-bribery to external and internal stakeholders. However, this practice remains limited among surveyed companies. Only 39% of the companies publish their policy or program on external-facing websites. Alternatively, some companies publish their anti-bribery policy and program, or related policies (such as gift and entertainment, conflict of interest) on their intranets.



6. RECOMMENDATIONS

"Corruption is a symptom of weak governance" is widely recognized in international literature on corruption, whether in public-to-private or in the private-to-private sector. To remedy this situation, concerted efforts combining serious enforcement of regulations and sanctions against violations by the government as well as promotion of an anti-bribery culture within companies are required. As attitude matters in delivering integrity values, building an anti-bribery culture within an organization is critical to the success or failure of wider anti-bribery efforts. This section sets out key recommendations for actions to be taken by relevant stakeholders in order to push the anti-bribery agenda forward.

6.1 FOR HIGH TECH PARKS' MANAGEMENT BOARDS

The commitment to a transparent business environment of Boards of Management in Sai Gon, Da Nang and Hoa Lac High-tech Parks is applauded as a good example in Vietnam and should continue.

Recommendation 1: To continue working in partnership with other organizations and multinational corporations, which could bring in anti-bribery expertise and tools for tenant companies through periodical training and best practices sharing, with a view to continuing raising

awareness and encouraging tenant companies to put in place appropriate compliance systems.

Recommendation 2: To consider setting up an integrity or a compliance group comprising tenant companies, where periodic networking events (such as breakfast sessions) could be organized to update companies on new initiatives and recent developments regarding compliance. Ideally, the group facilitator position would be voluntary and rotate among the tenant companies.

Recommendation 3: To conduct regular dialogues with relevant government agencies in order to address the bribery issue through a systematic approach.

Recommendation 4: To share experience and good practices for replication in other economic areas such as industrial parks.

6.2 FOR HIGH TECH PARKS' TENANT COMPANIES

Ethics in doing business is critical in the global marketplace. Companies are increasingly expected to adopt best practices of compliance to build trust with investors, customers, suppliers and other stakeholders for sustainable development. Companies can make a difference in reducing bribes and need to take action, individually and together.

Recommendation 5: To consider putting in place appropriate compliance policy and systems or enhancing existing ones, including Code of Conduct, Conflict of Interest, Gift and Entertainment, Procurement and Anti-bribery policies⁴⁹. Equally important are issues such as appropriate measures to monitor implementation in daily operation and communication to staff and business partners, which should be (further) developed and implemented. These systems will ensure transparency in the companies' operation, which will benefit their operations in the long term.

Recommendation 6: To consider increasing corporate transparency through publishing Code of Conduct, Conflict of Interests, Gift and Entertainment policies on an external-facing website to increase investors, shareholders and other stakeholders' confidence.

Recommendation 7: For Multinational companies to promote anti-bribery programs and to gradually increase awareness and actions by smaller firms, by providing them with basic training on ethics and compliance in supply chains.

⁴⁷ See Question 68 in Annex 4

⁴⁸ See Question 74.1 in Annex 4

⁴⁹ https://www.transparency.org/whatwedo/publication/business_principles_for_counteracting_bribery

6.3 FOR VIETNAMESE AUTHORITIES AND OTHER STAKEHOLDERS

Government

As demonstrated by the recent strengthening of anti-bribery legislation enforcement in the U.S, the U.K and France, companies of all size will have to be aware of stricter government regulations (in particular relevant extraterritoriality principles) and take corporate compliance seriously. While this trend has shown cascading impact in the Vietnamese market, concrete actions by the government of Vietnam are required to enable companies to make integrity a norm, rather than an exception in doing business in Vietnam. This will support the sustainable growth of Vietnam’s business sector. The government needs to be open for dialogue, acknowledge effort and reward ethical behaviors by private sector actors. Together with improving legal regulations, the government should develop an enabling environment for relevant stakeholders, including non-state actors, to initiate new integrity and anti-bribery initiatives.

Recommendation 8: Introduce requirements for corporate compliance and anti-bribery systems in the Law on Anti-corruption and any other relevant laws, taking into account reasonable requirements for SMEs.

Recommendation 9: Enhance education on business ethics and integrity in universities to prepare future business leaders for success.

Recommendation 10: Consider promoting ISO 37001- Anti-bribery Management System: 2016 as a Vietnamese voluntary standard for companies. The ISO 37001 captures best global practices in preventing, detecting and dealing with bribery risks. While many requirements may still be too advanced for the majority of Vietnamese firms, the principles and elements of a good anti-bribery system could be useful to provide guidance for firms on what needs to be done.

Business Associations

Business associations have a critical role to play in promoting ethical business behavior among their members. They are in an ideal position to advocate and support their members to improve corporate compliance systems, as well as advise the government on sustainable development of the private sector and the economy as a whole.

Recommendation 11: Organize awareness raising and training events to update member companies on latest global and local developments on regulations, standards and good compliance practices. These events could cover anti-bribery related policies to support members to develop Codes of Conduct, gift and entertainment policies, conflict of interest’s rules and other related tools.







ANNEX 1 – ABOUT THREE HIGH-TECH PARKS

Hoa Lac High-tech Park (HHTP)

HHTP was established in 2000 under the management of the Ministry of Science and Technology with a total area of 1,586 ha in the western outskirts of Hanoi. HHTP aims to be a model of a science city consisting of R&D, software development, hi-tech industrial manufacturing and education. A total number of 81 tenant companies are licensed with a total workforce of 12,000 employees, among which 37 companies are in operation, others are being under construction or completing permission procedure.

Da Nang High-tech Park (DNTP)

Established in 2010 by the Prime Minister under management of Da Nang People's Committee, DNTP covers a total area of 1,128 hectares and is in the second phase of constructing its infrastructure. The park will include hi-tech production, logistics and hi-tech services, supporting industries, R&D, training and incubation. DNTP has licensed 8 investment projects, two of which are in operation with a total capital of US\$ 200 million. DNTP is currently focusing on completing infrastructure and calling for investments.

All Administrative procedures are published on the Park's website, and managed by a "one-stop shop". Board of Management and Business Dialogue are taking place on quarterly basis - inviting all investors and relevant government departments: Police, DPI, DOF, etc. to deal with any issues and new policies. The DNHTP issued a transparency regulation on 2016, committing to streamlining investment procedures and providing necessary support to investors in the park.

Saigon High-tech Park (SHTP)

SHTP was established in 2002 by the Prime Minister under the management of Ho Chi Minh City People's Committee. The park covers an area of 326 ha and is currently being expanded to 913 ha. Its vision is to become a model of technological innovation and intellectual capital development to prepare Vietnam towards the 4.0 industrial revolution. Its mission is to create a business-oriented, financially and technologically favorable environment to attract foreign investment in high technologies and acceleration of the supporting sectors in Vietnam. SHTP has licensed 133 companies with a total investment of USD 7 billion. 68 enterprises are in operation, representing USD 12 billion turnover in production (US\$ 11 billion export) with 38,000 employees.



ANNEX 2 – ANONYMIZED INFORMATION ON PARTICIPATING COMPANIES

No. of in- terview	Period when received investment license	Type of company		Size of company		Field	What are your customers?	What are your suppliers of intermediate goods/services?
		Local	FDI	Large	SMEs			
1	2010-2015		X	X		Hi-tech	- Export to parent company - Export to 3 rd countries	- Domestic private companies - Imported from home country - Imported from 3 rd countries
2	2005-2010		X		X	Hi-tech	- SOEs - Private individuals/firms	- Domestic private companies - Imported from 3 rd countries
3	2010-2015		X	X		Hi-tech	- Private individuals/firms (include FDIs)	- Domestic private companies - Imported from 3 rd countries
4	2015-2018	X			X	Hi-tech	- Export to 3 rd countries	- Domestic private companies - Imported from 3 rd countries
5	2005-2010	X		X		Hi-tech	- Private individuals/firms - Export to 3 rd countries	- SOEs - Domestic private companies - Household business or individuals - Imported from 3 rd countries
6	2010-2015	X			X	Hi-tech	- Private individuals/firms	- Domestic private companies - Imported from 3 rd countries
7	2005-2010		X		X	Hi-tech	- Private individuals/firms - Export to parent company - Export to 3 rd countries	- Domestic private companies - Household business or individuals - Produced in house by its local operations - Imported from home country - Imported from 3 rd countries
8	2000-2005		X	X		Hi-tech	- Private individuals/firms (FDIs) - Export to 3 rd countries	- Domestic private companies - Produced in house - Imported from home country - Imported from 3 rd countries

No. of in- terview	Period when received investment license	Type of company		Size of company		Field	What are your customers?	What are your suppliers of intermediate goods/services?
		Local	FDI	Large	SMEs			
9	2005-2010		X	X		Hi-tech	- Export to parent company - Export to 3 rd countries	- Domestic private companies - Imported from home country - Imported from 3 rd countries
10	2010-2015	X			X	Infrastructure development	- Private companies	- Domestic private companies
11	2010-2015	X			X	Hi-tech	- SOEs - State agencies - Private individuals/firms	- Domestic private companies - Imported from 3 rd countries
12	2010-2015	X			X	Hi-tech	- SOEs - State agencies - Private individuals/firms - Export to 3 rd countries	- Domestic private companies - Household business or individuals - Imported from 3 rd countries
13	2010-2015		X	X		Hi-tech	- Private individuals/firms - Export to parent company - Export to 3 rd countries	- Domestic private companies - Produced in house - Imported from home country - Imported from 3 rd countries
14	2010-2015		X		X	Hi-tech	- Export to parent company - Export to 3 rd countries	- Domestic private companies - Imported from home country
15	2000-2005		X	X		Hi-tech	- Export to parent company	- Imported from home country
16	2005-2010	X		X		Education	- Private individuals	- Domestic private companies - Imported from 3 rd countries
17	2015-2018		X		X	Hi-tech	- Export to 3 rd countries	- Imported from 3 rd countries
18	2005-2010	X			X	Infrastructure development	- Private individuals/firms - Export to parent company	- Domestic private companies - Produced in house by its local operations - Imported from 3 rd countries
19	1995-2000	X		X		Hi-tech	- Export to 3 rd countries	- Domestic private companies
20	2005-2010		X	X		Hi-tech	- Export to parent company - Export to 3 rd countries	- Imported from home country - Imported from 3 rd countries

No. of in- terview	Period when received investment license	Type of company		Size of company		Field	What are your customers?	What are your suppliers of intermediate goods/services?
		Local	FDI	Large	SMEs			
21	2010-2015	X			X	Hi-tech	- SOEs - State agencies - Private individuals/firms	- Domestic private companies - Imported from 3rd countries
22	2010-2015	X			X	Hi-tech	- Export to 3 rd countries	- Imported from 3rd countries
23	2015-2018		X		X	Services	- Private individuals/firms	- Imported from home country - Imported from 3rd countries
24	2005-201		X		X	Pharmaceutical	- Private individuals/firms - Export to parent company - Export to 3 rd countries	- Domestic private companies - Imported from home country - Imported from 3rd countries
25	1995-2000		X		X	Manufacturing	- Private individuals/firms	- Domestic private companies - Imported from home country
26	2005-2010		X	X		Hi-tech	- Export to parent company - Export to 3 rd countries	- Domestic private companies - Imported from home country - Imported from 3 rd countries
27	2005-2010	X			X	Hi-tech	- Private individuals/firms	- Domestic private companies
28	2005-2010	X			X	Infrastructure development	- Private individuals/firms (include FDIs)	- Domestic private companies
29	2005-2010		X	X		Hi-tech	- Export to 3 rd countries	- Imported from home country - Imported from 3 rd countries
30	2005-2010		X	X		Manufacturing	- Export to parent company - Export to 3 rd countries	- Domestic private companies - Household business or individuals - Imported from parent company - Imported from 3 rd countries
31	1995-2000	X			X	Hi-tech	- State agencies (through agents) - Private individuals/firms - Export to 3 rd countries	- Domestic private companies - Household business or individuals - Produced in house by its local operations - Imported from parent company - Imported from 3rd countries

ANNEX 3 – QUESTIONNAIRE FOR TENANT COMPANIES

“How High Tech Parks’ tenant companies in Vietnam deal with corruption risks”

Towards Transparency (TT) is a Vietnamese non-profit consultancy company founded in 2008 to contribute to prevention of and fight against corruption. In March 2009, TT became the official National Contact of Transparency International (TI) - the global movement with more than 100 national chapters worldwide. TT’s mission is straightforward: To reduce corruption in Vietnam by increasing demand and promoting measures for transparency, accountability and integrity in government, business and civil society at large.

TT is currently conducting a survey which seeks to better understand and describe corruption risks and challenges in dealing with anti-corruption faced internally and externally by the 3 national high-tech parks management boards and their tenant companies. This survey uses 2 methodologies: desk review and anonymous questionnaires.

QUESTIONNAIRE

The following questionnaire aims to help understand three specific areas where corruption risks can occur, namely:

- Tender processes procurement
- Government authorizations (business licenses, custom and tax clearance...)
- Experience of demands for excessive Gifts and/or Entertainment from public officials

Questions in relation to each of these 3 area of analysis are set out below. The questionnaire also seeks to know what measures high tech parks’ tenant companies have taken or plan to take to deal with corruption risks.

Unless the question states otherwise, please answer on the basis of your experience in the last two years.

Anonymity of this questionnaire

This is an anonymized questionnaire: your name and the name of your company will not be included on this questionnaire. Nor will your name or the name of your company be included in any report or other document produced following the completion of this questionnaire, other than to acknowledge your participation in the study. For the avoidance of doubt, information on your identity and the identity of your company is not relevant to the study. To the extent that we hold any information concerning your identity or the identity of your company (such as in email correspondence), that information will be kept confidential.

I. Background information

1. In what year did your company first operated in Vietnam (if foreign-owned, in which year did your firm receive a license to invest in Vietnam)?
2. On which field does your company mainly focus? [For each question, please circle as appropriate one or more numbers corresponding to your answer(s)]:
 - 2.1 Industry/Manufacturing
 - 2.2 Construction/ Investment in Infrastructure Construction
 - 2.3 Service/Commerce
 - 2.4 Agriculture/Forestry/Aquaculture
 - 2.5 Mining
 - 2.6 Finance/Banking/Insurance
 - 2.7 High technologies
 - 2.8 Other:

3. What are your company’s 3 main product lines or services?
 - 3.1.....
 - 3.2.....
 - 3.3.....
4. Which of the following categories best describe your company’s current legal form?
 - 4.1 Public listed company
 - 4.2 Private company
 - 4.2 State Owned Enterprise
 - 4.3 100% Foreign owned enterprise
 - 4.4 Joint-Venture with a Vietnamese Private Enterprise
 - 4.5 Joint-Venture with a Vietnamese State-Owned Enterprise.
 - 4.6 Other, please specify:

5. If you ticked the cases 4.3, 4.4. or 4.5, is your company a subsidiary of a multi-national corporation with its headquarters outside Vietnam?
 - 5.1 Yes
 - 5.2 No
6. What is the employment size of your company?
.....employees
7. Who are your customers? Please tick all that apply:
 - 7.1 Sell domestically to State owned enterprises (SOE)
 - 7.2 Sell domestically to State agencies (central and/or local level)
 - 7.3 Sell domestically to private individuals or firms
 - 7.4 Export to home country
 - 7.5 Export to a third country or countries
8. Who are your suppliers of intermediate goods and services? Please check all that apply
 - 8.1 State owned Enterprises
 - 8.2 Domestic private companies
 - 8.3 Household business or individuals
 - 8.4 Produced in-house by your local operations
 - 8.5 Imported from home country
 - 8.6 Imported from a third country

2. Your perception of business risks

9. What are the 3 biggest risks that you face in Vietnam? Please rank order in terms of importance to your company.
 - 9.1 Macroeconomic risk (changes in price stability and growth that affect business prospects).
 - 9.2 Contract risk (breach of contract by business partners, such as suppliers or customers).
 - 9.3 Regulatory risk (changes in regulatory or tax policies that reduce profitability).
 - 9.4 Labor risk (strikes, or other events that lead to work stoppage).
 - 9.5 Corruption risk (demands for informal charges, kickbacks, or other illicit decisions that reduce profitability). Rank-Ordering Risk Type
 - 1:.....
 - 2:.....
 - 3:.....
10. If you have identified corruption risk as one of the 3 main risks, could you please share your opinion on what companies should do to stop those business practices occurring or to mitigate the risk of those business practices.

.....
11. Do you agree with the following statement: “Government officials use compliance with local regulations to extract informal payments from businesses like mine”?
 - 11.1 Strongly agree
 - 11.2 Agree
 - 11.3 Disagree
 - 11.4 Strongly disagree

12. On average, what percentage of turnover do companies in your line of business typically pay per annum in unofficial payments to public officials?
 - 12.1 0%
 - 12.2 Less than 1%
 - 12.3 From 1% to less than 2%
 - 12.4 From 2% to less than 5%
 - 12.5 From 5% to less than 10%
 - 12.6 More than 10% (how much more?
13. In your opinion, if a company in your line of business pays the required “additional payment” how often is the service delivered as the company expected?
 - 13.1 Always
 - 13.2 Usually
 - 13.3 Sometimes
 - 13.4 Seldom
 - 13.5 Never
14. In your opinion, if a company in your line of business does not pay “informal charges”, how often is the service delivered as the company expected?
 - 14.1 Always
 - 14.2 Usually
 - 14.3 Sometimes
 - 14.4 Seldom
 - 14.5 Never
15. Given your experience, do you believe that firms that refuse to pay commissions when bidding on government contracts are disadvantaged in the selection process?
 - 15.1 Always
 - 15.2 Usually
 - 15.3 Sometimes
 - 15.4 Seldom
 - 15.5 Never

3. Procurement

The following questions relate to your company's experience of public procurement and private procurement from third parties, e.g. your company's purchase of goods and/or services from any third-party supplier in Vietnam.

3.1 Public Procurement

16. Does your company participate in government procurement?
 - 16.1 Yes
 - 16.2 No
17. Do you know of cases where some of your competitors have made informal cash payments in order to be selected and/or to win a public tender?
 - 17.1 Yes
 - 17.2 No

18. Would you say that in your branch of business, to make informal cash payments in order to be selected and/or to win a public tender...

- 18.1 ... is a common practice
- 18.2 ... happens from time to time
- 18.3 ... is quite rare
- 18.4 Other:.....

3.2 Private Procurement

19. Do any of your products/services' suppliers provide your company and/or its employees with gifts or entertainment?

- 19.1 Yes
- 19.2 No
- 19.3 Don't know

20. Do any of your products/services' suppliers provide your company and/or its employees with gifts or entertainment (with a value in excess of VND2 million) on the award or renewal of any contract with them?

- 20.1 Yes
- 20.2 No
- 20.3 Don't know

21. Do you know if your company has ever been asked to issue an invoice for services or goods at an amount lower or higher than the agreed value of the services or goods provided (known as a "dummy invoice")?

- 21.1 Yes
- 21.2 No
- 21.3 Don't know

22. If yes, how often would you say such dummy invoice are requested?

- 22.1 Very often
- 22.2 Quite often
- 22.3 Not often

23. What policy does your company have to regulate procurement practices?

- 23.1 There is a code of conduct dealing with this issue
- 23.2 We trust that our employees would not agree with such requests
- 23.3 We have special training so that all our employees can deal with the issue
- 23.4 Other:.....

3.3 Requests for proposals

24. Do you know of cases where an employee in your company has been offered an advantage (including money or goods or services or a commercial favor) in return for including a supplier in an RFP invitation?

- 24.1 Yes
- 24.2 No

25. If yes, how often would you say this phenomenon occurs?

- 25.1 Very often
- 25.2 Quite often
- 25.3 Rarely

26. What is your company policy in such a situation?

- 26.1 There is a code of conduct dealing with this issue
- 26.2 We trust that our employees would refuse such advantages
- 26.3 We have special training so that all our employees can deal with the issue
- 26.4 The employee could be fired if accepting such advantages
- 26.5 Other:.....

27. Please share with us some of your experiences of products/service providers offering cash or other advantages (including goods or services or a commercial favor) in private procurement in Vietnam (you need not confine your answer to the experience of your company)...

.....

4. Conflicts of Interest

The following question relate to conflict of interest, which, in Transparency International's definition, is a "Situation where an individual or the entity for which they work, whether a government, business, media outlet or civil society organisation, is confronted with choosing between the duties and demands of their position and their own private interests".

28. To your knowledge do any of your employees hold the position of director or majority shareholder in any product/services' suppliers to your company?

- 28.1 Yes
- 28.2 No
- 28.3 Don't know

29. To your knowledge do any of your management or procurement staff have relatives who hold the position of director or majority shareholder in any product/services' suppliers to your company?

- 29.1 Yes
- 29.2 No
- 29.3 Don't know

30. Are you aware of any employee or officer of (competing) companies in your line of business awarding a contract to a third party because they hold a personal financial interest in that company (such as being an 100% owner or substantial shareholder of the third party)?

- 30.1 Yes
- 30.2 No
- 30.3 Don't know

31. Are you aware of any employee or officer of (competing) companies in your line of business awarding a contract to a third party because the third party company employs a relative of your company's employee or officer (or because the relative of your company's employee or officer has a significant financial interest in the third-party, such as being an 100% owner or substantial shareholder of the third party)?

- 31.1 Yes
- 31.2 No
- 31.3 Don't know

32. Does your company have written rules or procedures whereby its officers and management personnel must declare any personal interest in a transaction with third parties?
- 32.1 Yes
- 32.2 No
- 32.3 Don't know
33. Does your company have a written rule or procedure whereby its officers must declare any outside interests?
- 33.1 Yes
- 33.2 No
- 33.3 Don't know
34. Do you believe that conflicts of interest among your employees represent a significant cost of doing business in Vietnam? For example, do you believe that your company pays more to providers of goods and services because of contracts awarded where there is a conflict of interest?
- 34.1 Yes
- 34.2 No
- 34.3 Don't know
35. Does your company have any written policies and procedures to identify, monitor and manage conflicts of interest which may give rise to a risk of bribery?
- 35.1 Yes
- 35.2 No
- 35.3 Don't know
36. If yes, to whom does it apply (who should sign it)?
- 36.1 All personnel
- 36.2 Only management staff
37. If yes, are these written policies and procedures regarding conflict of interest publicly available on your website?
- 37.1 Yes
- 37.2 No

5. Routine government services

The following questions relate to your company's experience of unofficial requests for advantages (including money or goods or services or a commercial favor) by public officials in return for routine government services (business licenses, customs, tax inspection ...). These are commonly referred to as "facilitation payments".

38. Has your company ever been asked to pay cash informally or give any other informal advantage to any public official to allow or speed up a routine government service?
- 38.1 Yes
- 38.2 No
- 38.3 Don't know
39. If yes, what is your estimation of the frequency of those requests?
- 39.1 Daily
- 39.2 Weekly

- 39.3 Monthly
- 39.4 Quarterly
- 39.5 1 to 2 times per year
- 39.6 Less than once per year

40. If yes, please indicate the type(s) of service concerned:

- 40.1 Work permit application
- 40.2 Customs clearance
- 40.3 Police service
- 40.4 Tax inspection / assessment
- 40.5 Business licenses
- 40.6 Land use certificate or construction-related permit
- 40.7 Other(s):.....

41. In your view, what percentage of turnover would a company in your line of business typically be expected or required to pay per year to government officials as unofficial payments in cash, a cash equivalent, goods and/ or services?

- 41.1 0%
- 41.2 Less than 1%
- 41.3 From 1% to less than 2%
- 41.4 From 2% to less than 5%
- 41.5 From 5% to less than 10%
- 41.6 More than 10% (how much more?)

42. Has your company ever been asked informally by a government official to use a third party non-government intermediary when paying money to any public body for a public service?

- 42.1 Yes
- 42.2 No
- 42.3 Don't know

43. Has your company ever been asked by a government official from a government department who provides/ provided or may provide a service to your company to employ the relative of any government official?

- 43.1 Yes
- 43.2 No
- 43.3 Don't know

44. Please let us know some of your experiences of requests by government officials for cash and/or other advantages (including goods or services or a commercial favor) in return for facilitation of routine government actions in Vietnam. For example, what has been the result of any refusals to pay unofficial payments to public officials? How much would you estimate in revenue/business your company loses per year or would lose per year by refusing to pay unofficial payments to public officials? You need not confine your answer to the experience of your company.

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6. Gifts and entertainment to government officials

The following questions relate to your experience of requests for or the expectation of gifts and/or entertainment being provided to government officials in Vietnam.

45. Please indicate whether the statements below, if applied to your company, would be true or false in your experience:

45.1 We would be expected to provide gifts and/or entertainment to government officials in some circumstances (If true, please indicate one or more of the applicable circumstances set out).

- 45.1.1 True: on a Têt holiday
- 45.1.2 True: on signing a contract with a government or state controlled entity
- 45.1.3 True on other occasions (please specify):

45.1.4 False

45.2 We would be expected to pay for government official(s) to travel to corporate events outside of Vietnam.

- 45.2.1 True
- 45.2.2 False

45.3 We would be expected to pay for the spouse and/or relatives of government officials to travel to corporate events in Vietnam or outside of Vietnam.

- 45.3.1 True
- 45.3.2 False

46. If you answered “True” to question [45.1.1], please indicate the maximum value of the gift and/or entertainment you would be expected to provide per national holiday:

- 46.1 Less than VND 1 million
- 46.2 Between VND 1 million and less than VND 2 million
- 46.3 Between VND 2 million and less than VND 5 million
- 46.4 Between VND 5 million and less than VND 10 million
- 46.5 Above VND 10 million
- 46.6 Prefer not to say

47. If you answered “True” to question [45.1.2], please indicate the maximum value of the gift and/or entertainment you would be expected to provide per signing event:

- 47.1 Less than VND 1 million
- 47.2 Between VND 1 million and less than VND 2 million
- 47.3 Between VND 2 million and less than VND 5 million
- 47.4 Between VND 5 million and less than VND 10 million
- 47.5 Above VND 10 million
- 47.6 Prefer not to say

48. If you answered “True” to question [45.1.3], please indicate the average value of the gift and/or entertainment you would be expected to provide in respect of the occasion(s) you have identified, per event:

- 48.1 Less than VND 1 million
- 48.2 Between VND 1 million and less than VND 2 million
- 48.3 Between VND 2 million and less than VND 5 million
- 48.4 Between VND 5 million and less than VND 10 million

- 48.5 Above VND 10 million
- 48.6 Prefer not to say

49. All in all, how frequently would you say your company is expected to provide gifts or entertainment to government officials?

- 49.1 Daily
- 49.2 Weekly
- 49.3 Monthly
- 49.4 Quarterly
- 49.5 1 to 2 times per year
- 49.6 Less than once per year

50. In your experience, which of the following government agencies would a company such as yours be expected to provide gifts and/or entertainment to:

- 50.1 Courts
- 50.2 Police
- 50.3 Customs
- 50.4 Tax
- 50.5 Land
- 50.6 Construction
- 50.7 Business registration
- 50.8 Other State-owned corporations or entities (please specify)_____

51. Are requests for gifts and/or entertainment by government officials an area of concern for your company?

- 51.1 Yes
- 51.2 No
- 51.3 Don't know

52. Has your company ever been refused a government service because it has not met a government official's expectation to receive a gift and/or entertainment?

- 52.1 Yes
- 52.2 No
- 52.3 Don't know

53. Please let us know some of your experiences of requests for gifts and entertainment from government officials in Vietnam. You need not confine your answer to the experience of your company.

.....

.....

54. What is your company's policy regarding requests for gifts and entertainment from government officials in Vietnam.

- 54.1 There is nothing much to do about it. That is the way we do business in Vietnam.
- 54.2 There is a strict zero tolerance policy, known to everybody and enforced
- 54.3 We recognize the problem and are planning to do something about it but we do not know what yet.
- 54.4 The company encourages managers not to give in to requests for gifts and entertainment from government officials (please explain how:)

7. Anti-Bribery and Corruption Risk Assessment Checklist: Where does your company stand on countering bribery?

Assessment of corruption risks and due diligence

55. Has your company conducted any assessment of corruption risks?

55.1 Yes

55.2 No
56. Do you conduct due diligence of your suppliers?

56.1 Yes

56.2 No
57. If yes at question 56, what kind of information does your company request from its suppliers?

57.1 Company history

57.2 Financial situation

57.3 Legal and regulatory compliance

57.4 Other:.....
58. Are you aware that your business partners/investors might conduct due diligence on your company?

58.1 Yes

58.2 No

Commitment

59. Does your company have a published policy of prohibition of bribery in any form whether direct or indirect?

59.1 Yes

59.2 No

59.3 Partly

59.4 Planned
60. Has your company committed to implementing a Program to counter bribery?

60.1 Yes

60.2 No

60.3 Partly

60.4 Planned

Implementation (if a program is in place)

61. Does your Program provide detailed policies and procedures to address the following? (please circle the appropriate item when the answer is yes)

61.1 Conflicts of interest

61.2 Bribes in any form?

61.3 Political contributions?

61.4 Charitable donations and sponsorships?

61.5 Prohibition of facilitation payments?

61.6 Gifts, hospitality and travel expenses?
62. Does your Board of Directors demonstrate visible and active commitment to the implementation of the anti-bribery Program?

62.1 Yes

62.2 No

62.3 Partly

63. Is your CEO or Executive Director responsible for ensuring that the Program is implemented consistently with clear lines of authority?

63.1 Yes

63.2 No

63.3 Partly
64. Is your Program implemented in all business entities over which your company has effective control?

64.1 Yes

64.2 No

64.3 Partly

64.4 Planned
65. The Program requires suppliers, agents and other intermediaries to agree contractually to comply with your company's anti-bribery policies and procedures and provides them with appropriate advice and documentation?

65.1 Yes

65.2 No

65.3 Partly

65.4 Planned
66. Does your company undertake properly documented, reasonable and proportionate anti-bribery due diligence on business entities when entering into a relationship?

66.1 Yes

66.2 No

66.3 Partly

66.4 Planned
67. Is the Program communicated to:

67.1 All Directors, managers and employees?

67.1.1 Yes

67.1.2 No

67.1.3 If yes, how through which channel/media is it communicated?

.....

67.2 Business associates (suppliers, vendors, contractors, subsidiaries, branches,...)?

67.2.1 Yes

67.2.2 No

67.2.3 If yes, how through which channel/media is it communicated?
68. Does your company provide secure and accessible channels through which employees and others can obtain advice or raise concerns ("whistleblowing") without risk of reprisal?

68.1 Yes

68.2 No

68.3 Planned
69. Is tailored training provided to: All Directors, managers, employees and agents?

69.1 Yes

69.2 No

69.3 Planned

Monitoring and review

70. Are the internal control systems, in particular the accounting and record keeping practices, subjected to regular review and audit?

- 70.1 Yes
- 70.2 No
- 70.3 Planned

71. Does your company have feedback mechanisms and other internal processes supporting the continuous improvement of the Program?

- 71.1 Yes
- 71.2 No
- 71.3 Planned

72. Is there regular assessment of the Program by the leadership including:

- 72.1 Monitoring and periodic review by senior management of the Program's suitability, adequacy and effectiveness?
 - 72.1.1 Yes
 - 72.1.2 No
- 72.2 Periodic reporting by management of the results of reviews to the Audit Committee or the Board with implementation of improvements as appropriate?
 - 72.2.1 Yes
 - 72.2.2 No
- 72.3 An independent assessment by the Board of the adequacy of the Program?
 - 72.3.1 Yes
 - 72.3.2 No

Corrective measures

73. When shortcomings are identified, can you shortly describe which main type of corrective measures do you apply in your company:

.....

.....

Public Reporting

74. Does your company publicly disclose information about:

- 74.1 The Program including the management systems employed to ensure its implementation?
 - 74.1.1 Yes
 - 74.1.2 No
- 74.2 Material holdings of subsidiaries, affiliates, joint ventures and other related entities?
 - 74.2.1 Yes
 - 73.2.2 No
- 74.3 Payments to governments on a country-by-country basis?
 - 74.3.1 Yes
 - 74.3.2 No

THANK YOU FOR YOUR PARTICIPATION!





ANNEX 4 – QUANTITATIVE RESULTS FOR ANALYSIS OF CORRUPTION RISKS (QUESTIONS 9 TO 54)

1. COMPANIES’ PERCEPTION OF BUSINESS RISKS

Question:	9. What are the 3 biggest risks that you face in Vietnam? Please rank order in terms of importance to your company					10. If you have identified corruption risk as one of the 3 main risks, could you please share your opinion on what companies should do to stop those business practices occurring or to mitigate the risk of those business practices.	11. Do you agree with the following statement: "Government officials use compliance with local regulations to extract informal payments from businesses like mine"?			
	9.1	9.2	9.3	9.4	9.5		11.1	11.2	11.3	11.4
Company										
1			1	3	2	Deal with corruption of SOEs		X		
2			2	1	3	Company policy, hire 3rd party for custom procedure	X			
3	1					N/A			X	
4			1			N/A	X			
5				1		N/A		X		
6			1	3	2	Don't know		X		
7	1	2		3		N/A			X	
8	1	2	3			N/A		X		
9	3		2		1	Compliance policy, Procedures, Training			X	
10	1	2	3			N/A			X	
11		1	2	3		N/A			X	
12	2	1	3			N/A		X		
13		2		1	3	Comply fully to laws and legislation, but they are not flawless...				
14	1	3	2			Need to have good compliance policy			Don't know	
15	1		3		2	There is no solution to deal with corruptions of gov. officials	X			
16	1					Don't have any corruption risk because of strict and transparent policy of company. VN gov is informed about company policy.			X	
17			2	1		N/A			X	
18	1		2		3	Transparent company policies and activities. Well trained employees.		X		
19	3	1	2			N/A			X	
20	1	2	3			N/A				X
21	1		2	3		N/A		X		
22		1	2	3		N/A		X		
23	1	2	3			N/A		X		
24	2	3	1			N/A			X	
25	1		2	3	3	Don't know		X		
26	3		2	1		N/A		X		
27		3	1		2	100% compliant with the law and use consulting firms		X		
28		1	2		3	Compromise (case by case)	X			
29	2		1			N/A			X	
30	3	1	2			N/A			X	
31		3	1	2		N/A			X	
Total	19	16	26	13	10		4	12	12	1
Percentage	61%	52%	84%	42%	32%		13%	39%	39%	3%

Question:	12. On average, what percentage of turnover do companies in your line of business typically pay per annum in unofficial payments to public officials?										13. In your opinion, if a company in your line of business pays the required "additional payment" how often is the service delivered as the company expected?					14. In your opinion, if a company in your line of business does not pay "informal charges", how often is the service delivered as the company expected?					15. Given your experience, do you believe that firms that refuse to pay commissions when bidding on government contracts are disadvantaged in the selection process?				
Company	12.1	12.2	12.3	12.4	12.5	12.6	13.1	13.2	13.3	13.4	13.5	14.1	14.2	14.3	14.4	14.5	15.1	15.2	15.3	15.4	15.5				
1	X							Don't know								X		X							
2			Don't know					X							X		X								
3			Don't know							X					X										
4			Don't know					Don't know							Don't know						Don't know				
5		X						X						X				X							
6	X						X									X				Don't know					
7			Don't know						X					X						Don't know					
8			Don't know					X		Don't know				Don't know						X					
9			Don't know						X					X						X					
10			Don't know						X							X				Don't know					
11		X							X					X						Don't know					
12		X							X				X							Don't know					
13				X				X					X		X					Don't know					
14		X							X				X						X						
15		X					X									X	X								
16			Don't know					Don't know							Don't know						Don't know				
17			Don't know					X					X							Don't know					
18					X			X							X			X							
19		X						X								X			X						
20			Don't know						X					Don't know						Don't know					
21		X						X						X						Don't know					
22			Don't know					X					X			X				Don't know					
23			Don't know					Don't know							Don't know, depends on sector						Don't know				
24			Don't know						X					X						Don't know					
25		X							X					X						Don't know					
26			Don't know						X					X						Don't know					
27			Don't know					X						X						Don't know					
28				X				X				X					X								
29			Don't know					Don't know							Don't know						Don't know				
30			Don't know					Don't know							Don't know						Don't know				
31	X									X			X							X					
Total	3	8	0	2	1	0	2	11	9	2	0	1	5	9	5	5	4	2	3	2	0				
Percentage	10%	26%	0%	6%	3%	0%	6%	35%	29%	6%	0%	3%	16%	29%	16%	16%	13%	6%	10%	6%	0%				

2. PROCUREMENT

Question:	Public Procurement					Private Procurement				
	16.1	16.2	17.1	17.2	17. Do you know of cases where some of your competitors have made informal cash payments in order to be selected and/or to win a public tender?	18.1	18.2	18.3	18.4	19. Do any of your products/services' suppliers provide your company and/or its employees with gifts or entertainment other than during Têt holidays in Vietnam?
Company										
1	X		X				X			X
2		X		N/A				N/A		X
3		X		N/A				N/A		X
4		X		N/A				N/A		X
5		X		N/A				N/A		X
6		X		N/A				N/A		X
7		X		N/A				N/A		X
8		X		N/A				N/A		X
9		X		N/A				N/A		X
10		X		N/A				N/A		X
11		X		N/A				N/A		X
12		X		N/A				N/A		X
13		X		N/A				N/A		X
14		X		N/A				N/A		X
15		X		N/A				N/A		X
16		X		N/A				N/A		X
17		X		N/A				N/A		X
18	X		X			X				X
19	X			X					X	
20		X		N/A				N/A		X
21		X		N/A				N/A		X
22		X		N/A				N/A		X
23		X		N/A				N/A		X
24		X		N/A				N/A		X
25		X		N/A				N/A		X
26		X		N/A				N/A		X
27		X		N/A				N/A		X
28	X		X			X				X
29		X		N/A				N/A		X
30		X		N/A				N/A		X
31		X		N/A				N/A		X
Total	4	27	3	1		2	1	0	1	17
Percentage	13%	87%	10%	3%		6%	3%	0%	3%	55%
										14
										45%
										0
										0%

Question:	Private Procurement														
	20. Do any of your products/services' suppliers provide your company and/or its employees with gifts or entertainment (with a value in excess of VND2 million) on the award or renewal of any contract with them?				21. Do you know if your company has ever been asked to issue an invoice for services or goods at an amount lower or higher than the agreed value of the services or goods provided (known as a "dummy invoice")?				22. If yes, how often would you say such dummy invoice are requested?				23. What policy does your company have to regulate procurement practices?		
Company	20.1	20.2	20.3	21.1	21.2	21.3	22.1	22.2	22.3	23.1	23.2	23.3	23.4		
1		X			X			N/A		X		X			
2		X			X			N/A		X					
3		X			X			N/A		X					
4		X			X			N/A			X				
5		X			X			N/A		X					
6		X			X			N/A		X	X	X			
7		X			X			N/A		X		X			
8		X			X			N/A		X					
9			X		X			N/A		X		X			
10			X		X			N/A					X		
11		X			X			N/A		X					
12		X			X			N/A		X					
13		X			X			N/A					X		
14		X		X					X			X			
15		X			X			N/A		X					
16		X			X			N/A		X					
17		X			X			N/A				X			
18			X	X				X		X					
19			X		X			N/A					X		
20		X			X			N/A		X		X			
21		X			X			N/A		X		X	X		
22		X			X			N/A		X					
23		X			X			N/A			X	X			
24		X			X			N/A		X					
25	X					X		N/A		X					
26		X			X			N/A		X			X		
27		X			X			N/A					X		
28		X		X				X				X			
29		X			X			N/A					X		
30		X			X			N/A		X					
31		X			X			N/A		X		X			
Total	1	26	4	3	27	1	0	2	1	21	3	11	7		
Percentage	3%	84%	13%	10%	87%	3%	0%	6%	3%	68%	10%	35%	23%		

Question:	Request for proposals														
	24. Do you know of cases where an employee in your company has been offered an advantage (including money or goods or services or a commercial favor) in return for including a supplier in an RFP invitation?				25. If yes, how often would you say this phenomenon occurs?				26. What is your company policy in such a situation?						27. Please share with us some of your eXperiences of products/service providers offering cash or other advantages (including goods or services or a commercial favor) in private procurement in Vietnam (you need not confine your answer to the eXperience of your company)...
	24.1	24.2	25.1	25.2	25.3	26.1	26.2	26.3	26.4	26.5					
Company															
1		X		N/A		X		X			Don't answer				
2		N/A		N/A		X	X				Don't know				
3		N/A		N/A						X	Don't know				
4		N/A		N/A				N/A			Don't know				
5		X		N/A		X	X		X		High valued gifts will be returned. Tet and mid-autumn gifts will be kept and shared amongst employees				
6		X		N/A		X	X		X		Transparent procedure so that no one can influence.				
7		X		N/A				Don't answer			Don't know				
8		X		N/A		X					Small gifts to be shared in companies. Don't know about cash gift.				
9		X		N/A		X	X	X	X		Transparent policy; Annual training for both staff and vendors; reminder letters to vendors about gift policy				
10		X		N/A		X	X	X	X		American vendors are strict, return gifts				
11		X		N/A		X					Don't know				
12		X		N/A		X					Commission is common in VN. Depends on companies, it is included in price or not.				
13		X		N/A		X			X		Suppliers are normally introduced by employees.				
14		X		N/A			X	X	X		Chinese suppliers used to approach and offer unofficial benefits to employees but were refused.				
15		X		N/A		X			X		Company policy is very strict to prevent this issue.				
16		X		N/A		X			X		Training employees to prevent this issue.				
17		X		N/A						X	Don't know				
18		N/A		N/A				N/A			Don't know				
19		X		N/A				X			Many suppliers offer commission but company refuse and ask for high quality and low price.				
20		X		N/A		X		X	X		Heard about this before but it doesn't happen in our company.				
21		N/A		N/A				N/A			Don't know				
22		X		N/A		X	X	X	X	X	Don't know				
23		X		N/A			X				Select professional suppliers with good business culture through visiting office of suppliers and look at employees				
24		X		N/A		X	X	X	X	X	Have not seen				
25	X			X				X	X		Don't know				
26	X				X	X	X	X	X		Yes, especially large orders. E.g bus services				
27		X		N/A		X	X	X	X		Heard that it is popular				
28	X			X			X	X			Large co: cross-checked system; Small: Instruct staff to deal with. Violation: fired				
29		X		N/A						X	No comments				
30		X		N/A						X	Don't know				
31		X		N/A		X		X			Don't know, staff is trained to think about brand and culture of the company				
Total	3	23	0	2	1	18	11	13	12	5					
Percentage	10%	74%	0%	6%	3%	58%	35%	42%	39%	16%					

3. CONFLICT OF INTEREST

Question:	28. To your knowledge do any of your employees hold the position of director or majority shareholder in any product/services' suppliers to your company?				29. To your knowledge do any of your management or procurement staff have relatives who hold the position of director or majority shareholder in any product/ services' suppliers to your company?				30. Are you aware of any employee or officer of (competing) companies in your line of business awarding a contract to a third party because they hold a personal financial interest in that company (such as being an 100% owner or substantial shareholder of the third party)?				31. Are you aware of any employee or officer of (competing) companies in your line of business awarding a contract to a third party because the third party company employs a relative of your company's employee or officer (or because the relative of your company's employee or officer has a significant financial interest in the third-party, such as being an 100% owner or substantial shareholder of the third party)?			
	28.1	28.2	28.3		29.1	29.2	29.3		30.1	30.2	30.3	31.1	31.2	31.3		
Company																
1	X				X					X			X			
2		X				X					X		X			
3		X				X				X			X			
4		X				X				X			X			
5		X				X				X			X			
6		X				X			X				X			
7		X				X				X			X			
8		X				X				X			X			
9			X			X					X			X		
10		X				X				X			X			
11		X				X				X				X		
12			X				X				X			X		
13		X				X			X		X				X	
14		X				X					X					
15		X				X				X			X			
16		X				X				X			X			
17		X				X				X			X			
18		X				X				X			X			
19		X				X				X			X			
20		X				X				X			X			
21		X				X				X			X			
22		X				X				X			X			
23		X				X				X				X		
24		X				X					X			X		
25		X				X				X			X			
26			X				X		X				X			
27		X				X				X			X			
28		X				X			X				X			
29		X				X				X			X			
30			X				X				X			X		
31		X				X				X			X			
Total	1	26	4		1	27	3		4	21	6	0	24	7		
Percentage	3%	84%	13%		3%	87%	10%		13%	68%	19%	0%	77%	23%		

Question:	32. Does your company have written rules or procedures whereby its officers and management personnel must declare any personal interest in a transaction with third parties?				33. Does your company have a written rule or procedure whereby its officers must declare any outside interests?			34. Do you believe that conflicts of interest among your employees represent a significant cost of doing business in Vietnam? For example, do you believe that your company pays more to providers of goods and services because of contracts awarded where there is a conflict of interest?				35. Does your company have any written policies and procedures to identify, monitor and manage conflicts of interest which may give rise to a risk of bribery?				36. If yes, to whom does it apply (who should sign it)?			37. If yes, are these written policies and procedures regarding conflict of interest publicly available on your website?	
	32.1	32.2	32.3		33.1	33.2	33.3	34.1	34.2	34.3	35.1	35.2	35.3	36.1	36.2	37.1	37.2			
Company																				
1		X				X			X		X				X		X			
2	X					X		X			X			X			X			
3		X																		
4		X				X			X			X			N/A	N/A	N/A			
5	X				X			X			X			X		X				
6	X					X			X			X			N/A	N/A	N/A			
7	X				X			X			X			X		X				
8		X				X				X		X			N/A	N/A	N/A			
9	X				X			X			X			X		X				
10		X				X		X			X			X			X			
11	X				X				X		X			X		X				
12		X				X			X		X			X			X			
13		X				X					X			X			X			
14		X				X			X		X			X			X			
15	X					X			X		X			X		X				
16	X				X					X	X			X		X				
17		X				X			X			X			N/A	N/A	N/A			
18	X					X		X			X			X			X			
19		X				X				X		X			N/A	N/A	N/A			
20	X					X			X		X			X		X				
21		X				X					X			X			X			
22	X					X		X			X			X		X				
23		X					X					X				X				
24	X				X			X			X			X		X				
25	X					X		X			X				X		X			
26	X				X				X		X				X	X				
27		X				X			X		X				NA	X				
28		X				X		X				X			N/A	N/A	N/A			
29		X				X		X				X			N/A	N/A	N/A			
30			X				X			X			X		N/A	N/A	N/A			
31		X				X			X		X				X		X			
Total	14	16	1		7	21	2		14	12	4	21	8	2	16	4	10			
Percentage	45%	52%	3%		23%	68%	6%		45%	39%	13%	68%	26%	6%	52%	13%	32%			

4. ROUTINE GOVERNMENT SERVICES

Question:	38. Has your company ever been asked to pay cash informally or give any other informal advantage to any public official to allow or speed up a routine government service?										39. If yes, what is your estimation of the frequency of those requests?										40. If yes, please indicate the type(s) of service concerned:							41. In your view, what percentage of turnover would a company in your line of business typically be expected or required to pay per year to government officials as unofficial payments in cash, a cash equivalent, goods and/or services?						
Company	38.1	38.2	38.3	39.1	39.2	39.3	39.4	39.5	39.6	40.1	40.2	40.3	40.4	40.5	40.6	40.7	41.1	41.2	41.3	41.4	41.5	41.6												
1	X							X					X	X					Don't know															
2		X				N/A										X			Don't know															
3		X				N/A							X						Don't know															
4		X				N/A										X			Don't know															
5	X						X				X		X					X																
6	X						X				X		X					X																
7		X				N/A					X				X		X																	
8		X				N/A							N/A						Don't know															
9			X			N/A							N/A						Don't know															
10		X				N/A					X								Don't know															
11			X			N/A							N/A						Don't know															
12						N/A							N/A					X																
13	X						X				X		X					X																
14	X						X				X		X					X																
15	X							X		X	X	X	X		X	X		X																
16		X				N/A							N/A						Don't know															
17		X				N/A							N/A						Don't know															
18	X							X			X		X						X															
19	X							X			X		X					X																
20		X				N/A							N/A																					
21	X						X				X							X																
22			X			Don't know							Don't know						Don't know															
23		X				N/A							N/A						Don't know															
24		X				N/A							N/A						Don't know															
25		X				N/A							N/A					X																
26	X							X						X				X																
27	X							X		X		X							Don't know															
28	X							X			X	X	X		X	X				X														
29		X				N/A							N/A						Don't know															
30		X				N/A							N/A						Don't know															
31		X				N/A							N/A						Don't know															
Total	12	15	4	0	1	2	2	7	0	2	11	3	10	2	4	4	1	10	1	1	0	0												
Percentage	39%	48%	13%	0%	3%	6%	6%	23%	0%	6%	35%	10%	32%	6%	13%	13%	3%	32%	3%	3%	0%	0%												

Question:	42. Has your company ever been asked informally by a government official to use a third party non-government intermediary when paying money to any public body for a public service?				43. Has your company ever been asked by a government official from a government department who provides/provided or may provide a service to your company to employ the relative of any government official?			44. Please let us know some of your experiences of requests by government officials for cash and/or other advantages (including goods or services or a commercial favor) in return for facilitation of routine governments actions in Vietnam. For example, what has been the result of any refusals to pay unofficial payments to public officials? How much would you estimate in revenue/business your company loses per year or would lose per year by refusing to pay unofficial payments to public officials? You need not confine your answer to the experience of your company.
	42.1	42.2	42.3		43.1	43.2	43.3	
Company								
1	X					X		Refuse payment-> lot of work, lengthy procedure to get the license
2		X				X		Depends on suggestion, if introduce good products with good prices: ok. Bribe: no.
3		X				X		Strict labour conditions, high turnover
4		X				X		Rarely happen
5		X				X		Refuse most of the time, sometimes have to compromise but rarely
6	X				X			Calculate cost and benefit then decide to accept or not
7		X				X		Proactively give
8		X				X		Improvement in tax office/DPI for example, no need to give facilitation payment
9		X				X		Have to outsource some services to third party (customs, logistics) but train them in Sanofi
10		X			X			Reasonable request culture. Invite policemen to the end year party. Depends on Partners.
11			X				X	Don't know
12		X				X		Don't know
13		X				X		Customs use intransparent custom procedure to ask companies to bribe for custom clearance.
14	X				X			Corruption happens in daily life (for ex: traffic police), but not common in business.
15	X				X			Tax inspectors always ask for money directly or indirectly (for ex: ask company to use their relatives' services)
16		X				X		Don't know
17		X				X		Don't know
18		X				X		Pay commission if want to provide goods for SOEs. Pay bribery to tax office and customs for smoothly admin. Procedure.
19		X				X		Must pay bribery proactively to customs and tax office. If not, company will be in trouble with procedure.
20		X				X		Don't know
21		X				X		It is common to pay bribery to gov. officials.
22	X					X		Follow the regular process, no appointment
23			X		X			Nobody asked
24			X			X		Not applicable
25		X			X			Compliant thus only be delayed
26	X					X		Helps speed up to respond to business needs
27	X				X			Rarely, but have to accept to facilitate (only once)
28	X				X			Depends on specific companies -flexible. Have to do something, can't ignore
29		X				X		First consider if the request is reasonable, normally refused
30		X				X		The business environment in HHTP is better than in industrial parks. When working for the previous company in an industrial park, bribery for gov. officials to receive investment license/approval of fire fighting system/discharge permit is common.
31		X				X		Report to senior management, look at how they request - if conditional, then no. First to be compliant
Total	8	20	3		8	22	1	
Percentage	26%	65%	10%		26%	71%	3%	

5. GIFTS AND ENTERTAINMENT

Question:	45. Please indicate whether the statements below, if applied to your company, would be true or false in your experience:										46. If you answered "True" to question [45.1.1], please indicate the maximum value of the gift and/or entertainment you would be expected to provide per national holiday:										47. If you answered "True" to question [45.1.2], please indicate the maximum value of the gift and/or entertainment you would be expected to provide per signing event:									
	45.1.1	45.1.2	45.1.3	45.1.4	45.2.1	45.2.2	45.3.1	45.3.2	45.3 We would be expected to pay for the spouse and/or relatives of government officials to travel to corporate events outside of Vietnam.										46.1	46.2	46.3	46.4	46.5	46.6	47.1	47.2	47.3	47.4	47.5	47.6
Company	45.1.1	45.1.2	45.1.3	45.1.4	45.2.1	45.2.2	45.3.1	45.3.2	45.3 We would be expected to pay for the spouse and/or relatives of government officials to travel to corporate events outside of Vietnam.										46.1	46.2	46.3	46.4	46.5	46.6	47.1	47.2	47.3	47.4	47.5	47.6
1				X		X		X													N/A									
2	X					X		X													Don't answer									
3				X		X		X													N/A									
4				X		X		X													N/A				X					
5	X					X		X											X											
6	X		X		X			X											X											
7				X		X		X											X											
8				X		X		X													N/A									
9		X			X			X											X											
10	X				X			X											X											
11				X		X		X													N/A									
12				X		X		X											X											
13				X		X		X													N/A									
14				X		X		X											X											
15	X					X		X												X										
16				X		X		X													N/A									
17				X		X		X													N/A									
18	X	X			X			X																X						X
19	X		X			X		X											X											
20	X		X			X		X											X											
21				X		X		X													N/A									
22				X		X		X													N/A									
23		Don't know						X													N/A									
24				X		X		X												X										
25	X					X		X																						
26	X						Don't know													X										
27				X		X		X											X											
28	X	X	X			X		X											X											
29	X					X		X													X						X			
30	X					X		X											X											
31	X		X			X		X											X						X					
Total	14	4	5	15	5	25	0	30											13	3	1	0	0	1	2	0	1	0	0	1
Percentage	45%	13%	16%	48%	16%	81%	0%	97%											42%	10%	3%	0%	0%	3%	6%	0%	3%	0%	0%	3%

Question:	48. If you answered "True" to question [45.1.3], please indicate the average value of the gift and/or entertainment you would be expected to provide in respect of the occasion(s) you have identified, per event:										49. All in all, how frequently would you say your company is expected to provide gifts or entertainment to government officials?										50. In your experience, which of the following government agencies would a company such as yours be expected to provide gifts and/or entertainment to:										51. Are requests for gifts and/or entertainment by government officials an area of concern for your company?				
	48.1	48.2	48.3	48.4	48.5	48.6	49.1	49.2	49.3	49.4	49.5	49.6	50.1	50.2	50.3	50.4	50.5	50.6	50.7	50.8	51.1	51.2	51.3												
Company																																			
1				N/A																															
2				N/A							X										X														
3				N/A							X																								
4					X						X									X															
5				N/A							X										X														
6	X										X									X															
7				N/A																															
8				N/A							X																								
9				N/A							X									X															
10	X										X																								
11				N/A																															
12				N/A								X								X															
13				N/A								X																							
14				N/A								X																							
15				N/A								X																							
16				N/A								X								X															
17				N/A																				Don't answer											
18				N/A						X										X															
19						X			X												X														
20	X										X									X															
21				N/A							X									X															
22				N/A							X																								
23				N/A				Don't know, might be handled by HQ								Don't know																			
24				N/A								X									X														
25				N/A							X								X																
26				N/A							X										X														
27				N/A							X									X															
28			X								X									X															
29				N/A							X									X															
30				N/A							X																								
31	X										X									X															
Total	4	0	1	0	1	1	0	0	1	1	20	3	0	9	17	16	2	1	2	14	9	21	0												
Percentage	13%	0%	3%	0%	3%	3%	0%	0%	3%	3%	65%	10%	0%	29%	55%	52%	6%	3%	6%	45%	29%	68%	0%												

Question: Company	52. Has your company ever been refused a government service because it has not met a government official's expectation to receive a gift and/or entertainment?			53. Please let us know some of your experiences of requests for gifts and entertainment from government officials in Vietnam. You need not confine your answer to the experience of your company.	54. What is your company's policy regarding requests for gifts and entertainment from government officials in Vietnam.			
	52.1	52.2	52.3		54.1	54.2	54.3	54.4
1	X			Need to bribe for proposing tax reduction. Land owner (SOEs) request extra payment.		X		
2		X		Don't know, use company carteen.				X
3		X		If they request, will give gifts.	X			
4		X		Don't know	X			
5		X		Normally refuse, but staff may give gifts without directors' approval.		X		
6		X		Case by case. Will give gifts if officials were nice. No if officials require unreasonably.	X			
7		X		Proactively give.	X			
8		X		Limit to certain amount (small gift) to avoid bad practices.	X			
9		X		Administrative procedures, oversea trips. Policy does not allow		X		
10		X		Receive some suggestion	X			
11			X	Don't know		X		
12		X		Don't know			X	
13			X	Companies have to know when they must pay bribery to gov officials. It is common in Business.			X	
14		X		Gov. officials don't ask company for money				X
15	X			Gov. officials come to inspect then ask for money. It is common.			X	
16		Don't answer		Don't know		X		
17		X		Don't know				X
18	X			Don't know		X		
19			X	Don't know	X			
20		X		Gov. officials don't ask company for money		X		
21		X		Need to give gifts to customs to receive smoothly service.		X		
22		X		Don't know		X		
23		X		Don't give				X
24		X		Not yet	X			X
25		X		1. Review if the company made any mistake; 2. if not and need to speed up; 3. if yes, if request reasonable				X
26		X		Often avoid and withdraw or say that report to leaders; can't argue with gov. official, use third parties (law firm)				X
27		X		Have to respond to facilitate	X	X	X	X
28		X		Gov. officials knows that companies are doing serious business; requests are not too much	X			
29		X		Accept if appropriate or refused if un reasonable		X		
30		X		In the previous company, paying bribe is like paying the price of a public service without receive (legally).			X	
31		X		Company voluntarily gives gifts to build relationship		X		
Total	3	24	3		10	12	5	8
Percentage	10%	77%	10%		32%	39%	16%	26%

6. ANTI-BRIBERY AND CORRUPTION RISK ASSESSMENT CHECKLIST

Question:	Assessment of corruption risks and due diligence					58. Are you aware that your business partners/investors might conduct due diligence on your company?	59. Does your company have a published policy of prohibition of bribery in any form whether direct or indirect?								60. Has your company committed to implementing a Programme to counter bribery?					
	55.1	55.2	56. Do you conduct any due diligence of your suppliers?	56.1	56.2		57.1	57.2	57.3	57.4	58.1	58.2	59.1	59.2	59.3	59.4	60.1	60.2	60.3	60.4
Company																				
1	X			X		X	X	X		X				X		X				
2		X		X		X	X	X		X								X		
3		X		X		X	X		X	X			X							
4		X		X					X	X					X					
5		X		X		X	X	X			X					X				
6		X		X			X	X		X						X				
7		X		X			X	X		X				X						
8		X		X			X	X		X							X			
9	X			X		X	X	X	X	X						X				
10		X		X		X	X	X	X	X						X				
11		X		X	X		N/A			X						X				
12		X		X			X				X		X				X			
13		X		X		X		X		X				X						
14		X			X					X				X		X				
15	X					X	X	X	X	X						X				
16	X					X	X	X	X	X						X				
17		X		X		X		X			X		X				X			
18		X		X			X	X		X								X		
19	X			X		X	X	X	X	X							X			
20	X			X		X	X	X		X						X				
21		X		X		X	X	X		X								X		
22		X		X		X	X	X		N/A						X				
23		X		X		X	X	X		Don't know								X		
24		X		X		X	X	X		X								X		
25	X			X		X	X	X		X			X							
26	X			X		X	X	X			X							X		
27	X			Don't know, might be handled by HQ			N/A			Don't know, might be handled by HQ			X				X			
28	X				X		N/A			X				X				X		
29		X			X		N/A			X				X				X		
30		X			X		N/A				X		X				X			
31		X		X		X	X	X	X		X							X		
Total	10	21	25	5	16%	20	22	22	8	22	6	19	5	6	1	10	13	8	0	
Percentage	32%	68%	81%	16%		65%	71%	71%	26%	71%	19%	61%	16%	19%	3%	32%	42%	26%	0%	

Question:	Implementation (if a programme is in place)						Implementation (if a programme is in place)										65. The Programme requires suppliers, agents and other intermediaries to agree contractually to comply with your company's anti-bribery policies and procedures and provides them with appropriate advice and documentation?					
	61. Does your Programme provide detailed policies and procedures to address the following? (please circle the appropriate item when the answer is yes)						62. Does your Board of Directors demonstrate visible and active commitment to the implementation of the anti-bribery Programme?						63. Is your CEO or Executive Director responsible for ensuring that the Programme is implemented consistently with clear lines of authority?				64. Is your Programme implemented in all business entities over which your company has effective control?					
Company	61.1	61.2	61.3	61.4	61.5	61.6	62.1	62.2	62.3	63.1	63.2	63.3	64.1	64.2	64.3	64.4	65.1	65.2	65.3	65.4		
1	X	X	X		X	X	X			X			X				X					
2				N/A			X			X				N/A			X					
3				N/A				N/A			N/A			N/A				N/A				
4				N/A				N/A			N/A			N/A				N/A				
5	X	X		X	X	X	X			X			X				X					
6		X		X	X		X			X				X			X					
7				N/A				N/A			N/A				N/A			N/A				
8		X					X			X			X						X			
9	X	X	X	X	X	X	X			X			X				X					
10	X	X		X	X	X	X			X			X				X					
11	X	X			X		X			X			X						X			
12				N/A				N/A			N/A			N/A				N/A				
13				N/A				N/A			N/A				N/A			N/A				
14	X	X				X	X			X				X				X				
15	X	X			X	X	X			X			X				X					
16	X	X	X	X	X	X	X			X			X				X					
17				N/A				N/A			N/A				N/A			N/A				
18	X	X			X	X	X			X					X		X					
19				N/A				N/A			N/A				N/A			N/A				
20	X	X	X		X	X	X			X					N/A		X					
21	X				X	X			X			X			N/A		X					
22	X	X			X	X	X			X		X			NA			X				
23					X		X			X			X					X				
24	X	X		X	X	X	X			X			X				X					
25				N/A				N/A			N/A				N/A			N/A				
26	X			X		X	X			X			X				X					
27	X	X	X		X	X	X				X			X				X				
28				N/A				N/A			N/A				N/A			N/A				
29				N/A				N/A			N/A				N/A			N/A				
30				N/A				N/A			N/A				N/A			N/A				
31		X			X	X	X			X					X				X			
Total	15	16	5	6	16	15	19	0	1	18	1	1	10	3	2	0	13	4	3	0		
Percentage	48%	52%	16%	19%	52%	48%	61%	0%	3%	58%	3%	3%	32%	10%	6%	0%	42%	13%	10%	0%		

Implementation (if a programme is in place)																		
Question:	66. Does your company undertake properly documented, reasonable and proportionate anti-bribery due diligence on business entities when entering into a relationship?				67. Is the Programme communicated to:			68. Does your company provide secure and accessible channels through which employees and others can obtain advice or raise concerns ("whistleblowing") without risk of reprisal?					69. Is tailored training provided to: All Directors, managers, employees and agents?					
					67.1 All Directors, managers and employees?			67.2 Business associates (suppliers, vendors, contractors, subsidiaries, branches,...)?										
								67.2.1	67.2.2	67.2.3								
Company	66.1	66.2	66.3	66.4	67.1.1	67.1.2	67.1.3	67.2.1	67.2.2	67.2.3	68.1	68.2	68.3	69.1	69.2	69.3		
1	X				X			X			X			X				
2		X			X			X			X			X				
3			N/A			N/A			N/A			N/A			N/A			
4			N/A			N/A			N/A			N/A			N/A			
5	X				X			X			X			X				
6		X			X			X				X			X			
7			N/A			N/A			N/A			N/A			N/A			
8		X			X				N/A			X		X				
9	X				X			X			X			X				
10	X				X				X			X		X				
11		X			X			X			X			X				
12			N/A			N/A			N/A			N/A			N/A			
13			N/A			N/A			N/A			N/A			N/A			
14		X			X			X				X		X				
15	X				X			X			X			X				
16	X				X			X			X			X				
17			N/A			N/A			N/A			N/A			N/A			
18		X			X			X			X				X			
19			N/A			N/A			N/A			N/A			N/A			
20	X				X			X			X			X				
21		X			X				X		X			X				
22		X			X				X		X			X				
23		X			X			X			X			X				
24		X			X				Don't know		X			X				
25			N/A			N/A			N/A			N/A			N/A			
26			X		X			X			X			X				
27		X				X			X			X		X				
28			N/A			N/A			N/A			N/A			N/A			
29			N/A			N/A			N/A			N/A			N/A			
30			N/A			N/A			N/A			N/A			N/A			
31			X		X				X	X	X				X			
Total	7	11	2	0	19	1	0	13	5	1	15	5	0	17	3	0		
Percentage	23%	35%	6%	0%	61%	3%	0%	42%	16%	3%	48%	16%	0%	55%	10%	0%		

Question:	Monitoring and review						Monitoring and review					
	70. Are the internal control systems, in particular the accounting and record keeping practices, subjected to regular review and audit?			71. Does your company have feedback mechanisms and other internal processes supporting the continuous improvement of the Programme?			72. Is there regular assessment of the Programme by the leadership including:			72.3 An independent assessment by the Board of the adequacy of the Programme?		
	70.1	70.2	70.3	71.1	71.2	71.3	72.1.1	72.1.2	72.2.1	72.2.2	72.3.1	72.3.2
Company												
1	X			X				X	X		X	
2	X			X			X		X		X	
3		N/A			N/A			N/A		N/A		N/A
4	X				X			N/A		N/A		N/A
5	X			X			X			X		X
6	X				X		X		X			X
7	X			X			X		X			X
8	X			X				X		N/A		N/A
9	X			X			X			X		X
10	X			X			X			X		X
11	X			X				X		X		X
12	X			X				X		X		X
13	X			X			X			X		X
14	X			X			X			X	X	
15	X			X			X		X			X
16	X			X			X		X			X
17		X			X			X		X		X
18		X			X			X		X		X
19	X			X			X		X		X	
20	X			X			X		X			X
21	X			X				N/A		N/A		N/A
22	X			X			X		X			X
23	X			X			X		X		X	
24	X			X			X			N/A		N/A
25	X			X				X		X		X
26	X			X				N/A	X			N/A
27	X			X			X			X	X	
28	X			X				X		N/A		N/A
29		X		X				X		N/A		N/A
30		N/A			N/A			N/A		N/A		N/A
31	X			X				X		X		X
Total	26	3	0	25	4	0	16	10	11	12	6	16
Percentage	84%	10%	0%	81%	13%	0%	52%	32%	35%	39%	19%	52%

Question:	Corrective measures		Public Reporting						
	73.When shortcomings are identified, can you shortly describe which main type of corrective measures do you apply in your company:		74. Does your company publicly disclose information about:						
	Company		74.1 The Programme including the management systems employed to ensure its implementation?	74.2 Material holdings of subsidiaries, affiliates, joint ventures and other related entities?	74.3 Payments to governments on a country-by-country basis?				
			74.1.1	74.1.2	74.2.1	74.2.2	74.3.1	74.3.2	
1	Investigate->talk to hierarchy->decide what to do			X		X		X	
2	Review and responds with actions, implementation			X		N/A		N/A	
3	N/A					N/A		N/A	
4	Counter argument			X		N/A		N/A	
5	Report to HQ. Involve: compliance, legal, HR		X			N/A		N/A	
6	Internal meetings with relevant department to identify reasons and propose solutions, not name shame.		X			N/A		N/A	
7	Accounting to check, re-do or price is too high.			X		N/A		N/A	
8	ISO 9001		X			N/A		N/A	
9	Propose measures including discipline, refreshment training for related people, update/revise		X		X				
10	Based on internal procedure:return gift, warning/bribe/discipline/reduce salary+-fired			N/A		N/A		N/A	
11	Acknowledge, investigate and solve according to company policy.		X			N/A		N/A	
12	Meeting and suggesting the solutions.			X		N/A		N/A	
13	The board of directors ask accounting office to announce and collect data to find solution.			X		N/A		N/A	
14	Meeting, discussing and giving solutions to change the staff or procedure.			X		X		N/A	
15	Discussing to find solutions.			X		X		N/A	
16	Doing survey and inform the result to all employees, making action plan then get approval to do action plan.		X		X			N/A	
17	N/A			X		X		N/A	
18	Meeting to find solution.			X		X		N/A	
19	Meeting to find reason and solution.			X		N/A		N/A	
20	Making an action plan to deal with problem.		X		X			N/A	
21	Don't know			X		N/A		N/A	
22	Convene meeting Board of management, look at company procedures		X			N/A		N/A	
23	Revise, communicate, meetings , online feedback		X		X			X	
24	Staff to be reminded, fired, reduced salary, demote, suspend		X		X			X	
25	as per HQ policy (manuals)		X			X		X	
26	Immediate action. Auto system, if issue is not deal with, will escalate to higher level. Procurement process often has most compliant to be quicker		X			X		X	
27	Corrective measures based on above internal control reports			X		X		X	
28	Remind staff, try to find correct information, inspect randomly			X		N/A			
29	Procurement only			X		N/A			
30	Don't have any experience because the company is just in the setting up stage.			N/A		N/A			
31	Identify corrective measures and reasons			X		X		X	
Total			12	16	5	9	0	7	
Percentage			39%	52%	16%	29%	0%	23%	

ANNEX 5 – LIST OF ABBREVIATIONS

Abbreviation	Explanation
FDI	Foreign Direct Investment
SME	Small and Medium Enterprise
ASEAN	Association of Southeast Asian Nations
SOE	State Owned Enterprise
MNCs	Multinational Corporations
VND	Vietnam Dong
PCI	Provincial Competitiveness Index
VAT	Value Added Tax
N/A	Not Applicable



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