

MEI2014<http://MEI.vibonline.com.vn>

SUMMARY

STUDY REPORT MEI 2014

Ministerial Efficiency Index on performance in business
law development and implementation in 2014



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Founded in 1963, the Vietnam Chamber of Commerce and Industry (VCCI) is a national organization that assembles and represents the business community, employers, and business associations of all economic sectors in Vietnam. The mission of VCCI is to protect and assist business enterprises, to contribute to the socio-economic development of the country, and to promote economic, commercial, and technological cooperation between Vietnam and other countries in the world.

VCCI's two main functions are: (i) representing the Vietnamese business community through the promotion and protection of the lawful, legitimate interests of Vietnamese enterprises and employers in domestic and international relations; and (ii) promoting the development of business enterprises, facilitating cooperation among business entities, and offering assistance in trade and investment, economic and technical cooperation as well as other business activities of enterprises in Vietnam and abroad.

FOREWORD

In implementation of the Resolution 19/NQ-CP of March 3, 2014 of the Government, which mentioned the task of Conducting study on confidence ranking of Ministries, Industries and local authorities by business community, and by the instruction of Prime Minister in Official document No 2353/VPCP-PL of April 4, 2011 assigning Vietnam Chamber of Commerce and Industry (VCCI) to conduct a study on and publish assessment of Ministries' efficiency in business law activities, since 2011 VCCI has been developing Index on Ministries' efficiency in business law development and implementation (Ministerial Efficiency Index – MEI).

Based on MEI, the Government, the civil society as well as Ministries can comprehensively, systematically understand the actual efficiency of business law activities (from drafting to implementing) of relevant Ministries. As such, MEI can help stakeholders devise appropriate measures to further advantages and improve on shortcomings in Ministries' law development and implementation process. MEI is aimed at contributing to formation of more effective, more favourable policy and legal environment for business community, at the same time improve efficiency of the law, efficiency of state governance, and therefore raise Vietnam competitiveness in international intergration.

2014 is a third year for publication of MEI (after MEI 2011 and MEI 1012). MEI 2014 is a result of assessment of legal activities in 2014 of the Ministries based on survey responses from 228 Business associations of central and local levels, representing 409,591 enterprises, business organizations and individuals throughout the country.

MEI 2014 results provided overall picture on Ministries' efforts and shortcomings in business law development and implementation, together with detailed assessment on improvement efforts by Ministries by each sector in 2014 in comparison to the previous period.

VCCI would like to acknowledge Business Associations for their time spent on answering MEI questionnaire, and their contribution to the findings and value of the Index. VCCI thanks Ministries for close contribution with VCCI in completion of the methodology and data compilation for MEI 2014.

Comments in the Report are of the Research Team, and therefore do not represent official opinion of Vietnam Chamber of Commerce and Industry.

Vietnam Chamber of Commerce and Industry



Research Team

Mr. Tran Huu Huynh
Ms. Pham Chi Lan
Ms. Le Thi Nga
Mr. Dau Anh Tuan
Ms. Nguyen Thi Thu Trang
Ms. Phan Minh Thuy



Technical Support Team

Ms. Ta Thanh Hoa
Ms. Nguyen Thi Dieu Hong
Ms. Nguyen Thi Le Nghia
Mr. Nguyen Minh Duc

MEI Research Team specially thanks the following experts for their valuable contribution on MEI methodology and/or thoughtful comments on MEI 2014 report content:

1. Dr. Le Dang Doanh, Senior expert, former Director of Central Institute on Economic Management
2. Dr. Duong Thi Thanh Mai, Senior expert, Ministry of Justice, former Director of Legal Science Institute
3. Prof. Dr. Le Hong Hanh, Director of ASEAN Economic and Legal Studies, Vietnam Lawyers' Association, former Director of Legal Science Institute
4. Associate Professor, Dr. Pham Duy Nghia, Dean of Legal Faculty, University of Economics Hochiminh City

TABLE OF CONTENT

01

Page 05–08

02

Page 09–11

03

Page 12–18

FOREWORD

ABBREVIATIONS

MEI 2014 GENERAL INTRODUCTION

- 06 The goal of MEI
- 06 MEI 2014 features
- 08 People behind MEI 2014

MEI 2014 FINDINGS

- 09 Hopeful picture
- 10 Remarkable breakthrough
- 11 Transparency - Easier said than done

MEI 2014 THROUGH RANKINGS

- 12 Ranking of efficiency in legal normative documents drafting
- 13 Ranking of legal normative documents quality
- 14 Ranking of efficiency in making information public, law propaganda and dissemination
- 16 Ranking of efficiency in law implementation
- 17 Ranking of efficiency in reviewing, inspection, summarizing of law implementation

ANNEXES

- 19 MEI 2014 Methodology
- 24 Detailed scores of MEI 2014

LIST OF CHARTS

PAGE 13	Chart 1	Ranking of efficiency in legal normative documents drafting
PAGE 14	Chart 2	Ranking of quality of legal normative documents
PAGE 15	Chart 3	Ranking of efficiency in making information public, law propaganda and dissemination
PAGE 16	Chart 4	Ranking of efficiency in law implementation
PAGE 17	Chart 5	Ranking of efficiency in review, inspection and summarizing of law implementation

ABBREVIATIONS

BA	Business Association
LND	Legal Normative Documents
MEI	Ministerial Efficiency Index in business law development and implementation
MEI 2014	Ministerial Efficiency Index in business law development and implementation in 2014, by MEI survey in 2014
VCCI	Vietnam Chamber of Commerce and Industry

PART 1

MEI 2014 - GENERAL INTRODUCTION

Basic function of the Government in designing and operating an economy is a widely accepted practice in the world. As a component of the Government, Ministry – an institution with highest law enforcement and governance function in the Government – through business law development and implementation activities has been exerting direct and long-lasting impact on operation of the businesses in particular and efficiency of the economy in general.

Therefore, precise assessment of the Ministries' efficiency in business law for identification and furthering of good practices and discovering of shortcomings for overcoming is not only an expectation of business community, it is also a desire by the Government and society.

Development and implementation of Efficiency in Business Law Development and Implementation by Ministries (Ministerial Efficiency Index – MEI in short) is one of such efforts of business community, with Vietnam Chamber of Commerce and Industry (VCCI) in lead since 2011.

This effort was supported by the Government (reflected in Official Documents No 2353/VPCP-PL of April 18, 2011 expressing instruction by Prime Minister approving VCCI's conduction and announcement of the annual assessment of efficiency in business law development and implementation by Ministries). Resolution No 19/NQ-CP of the Government of March 18, 2014 on major tasks, solutions for improving of business environment, enhancement of national competitiveness assigned VCCI with a task to "study the confidence ranking by business community on ministries, industries and local authorities".

MEI 2014 is a third-year report of MEI's realisation and publication. Following is an introduction of MEI features in general and MEI 2014 in particular, as well as introduction of parties that carried out MEI 2014.

GOALS OF MEI 2014

Ministerial Efficiency Index - MEI has been developed in order to give an overview on the efficiency of the development and implementation of laws and regulations on business by 14 Ministries with functions and duties closely attached to enterprises and business activities, based on a systematic and reliable methodology. (see Annex on Methodology).

MEI specifically tends to:

- Development of overall picture on efficiency in business law development and implementation by Ministries that are most closely related to business;
- Quantify the efficiency of particular aspects and activities of the business law development and implementation by the Ministries, indicate which aspects, which activities of a Ministry have not been duly appreciated and to what extent;
- Explore, explain key messages behind significant changes (positive, negative) of each Ministry in the process of development and implementation of business laws in 2014, in comparison with those in the last survey (in 2012);
- Where possible, make appropriate suggestions/proposals to the Ministries to make its own reasonable improvements of its activities under current circumstances in Vietnam.

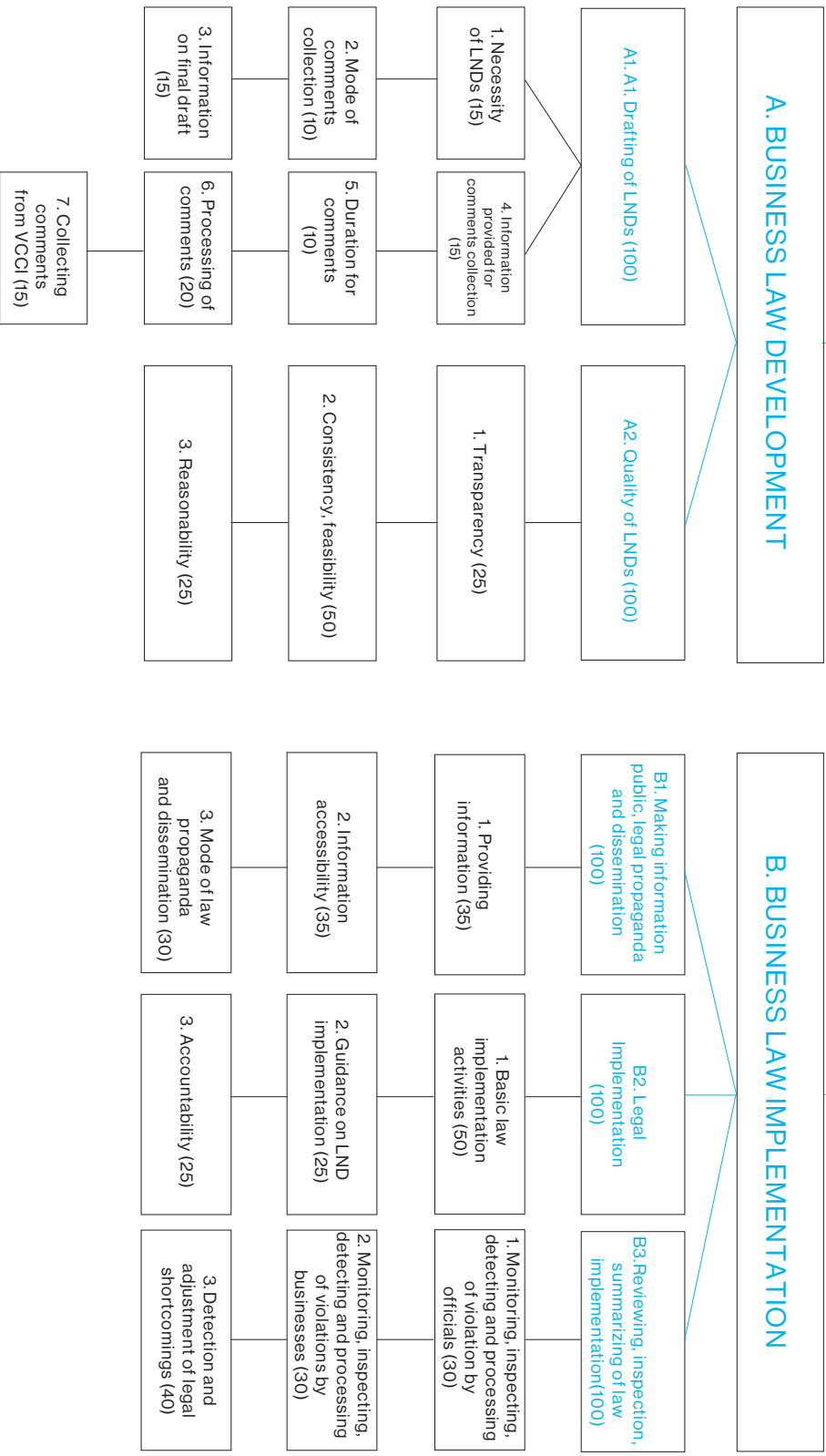
FEATURES OF MEI 2014

Assessment subjects of MEI 2014 are business law development and implementation activities conducted by 14 Ministries most related to business in 2014.

MEI 2014 is a set of 5 independent Indexes, with 5 rating charts for ministries in each Index, namely:

- Drafting of Drafting of LND
- Quality of LND
- Making information available to public, law propaganda and dissemination
- Law implementation
- Review, inspecting, summarizing of law implementation

Each MEI 2014 Index consists of many sub-indexes. In total, MEI 2014 has 19 sub-indexes, of which 18 are based on businesses associations' survey and 1 based on actual statistical data.



Similarly to previous reports, MEI 2014 assesses law development and implementation efficiency of the following 14 Ministries:

1	MINISTRY OF INDUSTRY AND TRADE	8	MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT
2	MINISTRY OF TRANSPORT	9	MINISTRY OF INFORMATION AND COMMUNICATION
3	MINISTRY OF PLANNING AND INVESTMENT	10	MINISTRY OF JUSTICE
4	MINISTRY OF SCIENCE AND TECHNOLOGY	11	MINISTRY OF CULTURE, SPORT AND TOURISM
5	MINISTRY OF LABOR - WAR INVALIDS AND SOCIAL AFFAIRS	12	MINISTRY OF CONSTRUCTION
6	MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT	13	MINISTRY OF HEALTH
7	MINISTRY OF FINANCE	14	STATE BANK OF VIETNAM

PEOPLE BEHIND MEI 2014

MEI 2014 is an Index on efficiency in business law development and implementation of 14 Ministries in 2014 based primarily on survey on Business Associations (BAs) of central and provincial level.

MEI gathered responses from 228 business associations that represent 409,591 enterprises, organizations, individual entrepreneur members¹. With such response rate and number of members that these associations represent, MEI can be considered a voice and position of Vietnam business community in general.

¹ These figures do not count number of associated members of business associations (including the cases when above groups may account some enterprises, business organizations and individuals that are not qualified to be official members) and other members (press members, honorary members...) as this group may include non-business members, which are not survey subjects of MEI.

PART 2: MEI 2014 FINDINGS

HOPEFULL PICTURE

Overall results of MEI 2014 shows more hopeful and brighter picture comparing to past. Namely, 4 out of 5 Indexes of MEI 2014 scored higher comparing to MEI 2012, with average increase of 10.07%.

Moreover, while in MEI 2012 score of all Indexes could not surpass average level (in the range of 52-56 points/100), in MEI 2014 there are 3 out of 5 Indexes scoring Medium high mark, and specifically 1 Index (Index on law implementation) scored Good mark – 70.46 points/100.

Such improvement suggests positive note, meaning that Ministries are not aiming to perform at just-enough level for set functions (with scores in all aspects of legal performance always at medium level in MEI 2011 and MEI 2012), but rather spending certain efforts in performing their tasks more effectively (with Medium high and Good scores in MEI 2014).

Not only for all Ministries in general, but for each Ministry in particular, MEI 2014 recorded certain shift in majority of business law aspects.

Namely, if in case of MEI 2012 all Indexes, except Index on Quality of LND, reflected that Ministries are not scoring Medium marks (below 50 points/100), and in some Indexes 6/14 Ministries scoring below Medium, then in MEI 2014 only one Index (Index on efficiency of LND drafting) reflected below-Medium scores of some Ministries, while in all other Indexes, no Ministry dropped below 50 points/100.

Moreover, MEI 2014 for the first time recorded Good mark of many Ministries in 1 Index (Index on law implementation). Similarly, the fact that many Ministries recorded Medium high marks in many Indexes, including the Ministries that were in the below-Medium group in MEI 2012, shows that positive changes happened not only in some single cases but it rather is a general shift of all Ministries and on almost all aspects of legal performance.

Based on above results, it can be seen that overall picture of legal performance of the Ministries in 2014 is becoming brighter, with some remarkable achievements. And in comparison to MEI 2012, MEI 2014 results indicated considerable improvements, which is encouragingly hopeful.

REMARKABLE BREAKTHROUGH

MEI 2011 and MEI 2012 has a common feature, which is a “same-level” and “equally average” situation in scores among Ministries and among Indexes of each Ministry.

Such situation has changed in MEI 2014, with the results recording certain shift in efficiency of legal activities of Ministries, as well as among legal performance of each Ministry. Such shift in general is in the positive direction.

From perspective of Index, Index on law implementation efficiency has surpassed other Indexes to lead in MEI 2014 based both on absolute score and rate of improvement.

Namely, in this Index, Ministries scored 70.46 points/100, 16% higher comparing to average score across MEI 2014 (60.55 points/100) and 40% higher than lowest Index in MEI 2014 (LND drafting – 50,4 points/100).

With such score, law implementation is the only activity that recorded Good efficiency among all activities reviewed by MEI so far. And although if considered separately, not all Ministries scored Good mark in this Index, the lowest-scoring Ministry is ranked at Medium high mark, and for each Ministry, scores in this activity is leading among all Ministry's legal activities.

Index on efficiency of law implementation also achieved highest improvement in scores in MEI 2014. With 25.95% improvement comparing to MEI 2012, this Index recorded an improvement which is 2.5 times higher than average improvement across MEI 2014 (10.07%).

From the perspective of Ministries, most remarkable improvement in MEI 2014 belongs to Ministry of Transport.

Considering absolute score, above Ministry is leading only in rating of Index of Review, Inspection and Summarizing of law implementation. But considering improvements of the own's score in MEI 2012, among all Ministries, Ministry of Transport is leading in 3 of 5 Indexes, which are Index on Efficiency of Law Implementation (increase 50.99%), Index on Review, Inspection and Summarizing of law implementation (increase 41.16%) and Index on Quality of LND (increase 16.07%).

Considering each Index, score improvements of Ministry of Transport is also many times higher than average improvement of other Ministries (almost 6 times higher in Index of Review, Inspection and Summarizing; more than 3 times higher in Index of Quality of LND, more than 2 times higher in Index of Law Implementation).

TRANSPARENCY - EASIER SAID THAN DONE

In MEI 2014, all Indexes have one or many Sub-Indexes related to transparency. However, in two Indexes – Efficiency in drafting LND and Efficiency in Making information public and law propaganda and dissemination, transparency is overwhelming in almost all Sub-indexes in the Index.

With MEI 2014 results, from principles of transparency perspective, two opposite trends can be observed in these two Indexes that are most related to transparency.

First trend is quite positive: transparency is improved in law implementation. 16.55% improvement comparing to MEI 2012 in Index of Efficiency in Making information public and law propaganda and dissemination, is ranked second in MEI 2014.

Second trend raises serious concern – transparency is worsening in legal documents drafting. Index on efficiency of LND drafting is the only Index that has average scores of the Ministries lower than in MEI 2012 (decrease 4.16%). Actually, efficiency of LND drafting has never been ranked positively in MEI, with usual positioning being last, or before last comparing to other Indexes in MEI. However, on the background of MEI in general becoming brighter, the dark spot in legal documents drafting raises great concerns.

PART 3

MEI 2014 THROUGH RANKING

RANKING OF EFFICIENCY IN LND DRAFTING

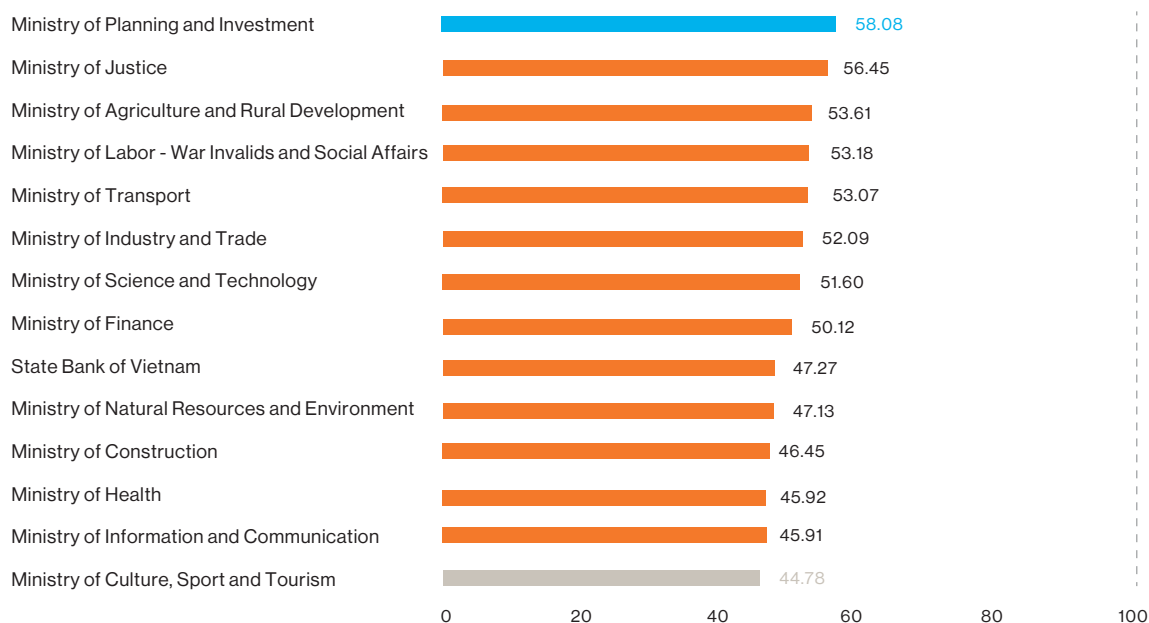
Ranking of efficiency in LND drafting is a result derived from Efficiency Index on activities that are related to development of LND drafts by the Ministries and are in the area of MEI 2014 law development. This Index consists of 7 sub-Indexes, of which 6 sub-Indexes are calculated based on survey results of BAs and one sub-Index is calculated on actual hard data (on ratio of drafts commented by business community through VCCI).

With average score of Ministries being 50.4 points/100, this Index is a lowest in MEI 2014 and is the only Index at average level, lagging far behind from other immediate Indexes (all other Indexes are scoring medium high, i.e. 60 points and above). 6 out of 14 Ministries scores below average (below 50 points) in this Index. And while all other Indexes recorded improvement comparing to MEI 2012, this Index is the only that dropped in score (dropping of 4.16%) comparing to MEI 2012.

Detailed scoring of each Ministry in this Index shows that almost all Ministries (12 out of 14) dropped in scoring, with different rate comparing to scoring in MEI 2012. However, there are some bright spots with risen-scoring, which reflects certain efforts of some Ministries in trying to improve efficiency in this area of activities (of which Ministry of Transport improving by 14.33%).

Leading group of Ministries in efficiency in this Index include Ministry of Planning and Investment (58.08 points/100), Ministry of Justice (56.45 points/100) and Ministry of Agriculture and Rural Development (53.61 points/100). Last in this table is Ministry of Culture, Sport and Tourism (44.78 points/100), Ministry of Information and Communication (45.91 points/100) and Ministry of Health (45.92 points/100). These positions are almost unchanged comparing to MEI 2012, except Ministry of Transport (rising from last position to middle of the table, ranking No 5) and Ministry of Agriculture and Rural Development (from 8th position in the middle to 3rd position).

In details, activities that have most important relation to business community in the process of LND drafting (including making final draft available to public and invite comments to the draft through VCCI) are those with lowest efficiency, even scoring at medium low level. Time period made available by Ministries for comments was considered best in all factors of LND drafting process.

Chart 1 Ranking of Efficiency in legal normative documents drafting

RANKING OF QUALITY OF LND

Scoring of LND quality is a result derived from LND Quality Index, and this Index belongs to law development area of MEI 2014.

Index on LND quality assesses transparency, consistency, feasibility and reasonability of LND promulgated in 2014 and originally drafted by the Ministries in 2014. This assessment was conducted purely based on survey on BAs regarding each group of LND under Ministries' jurisdiction.

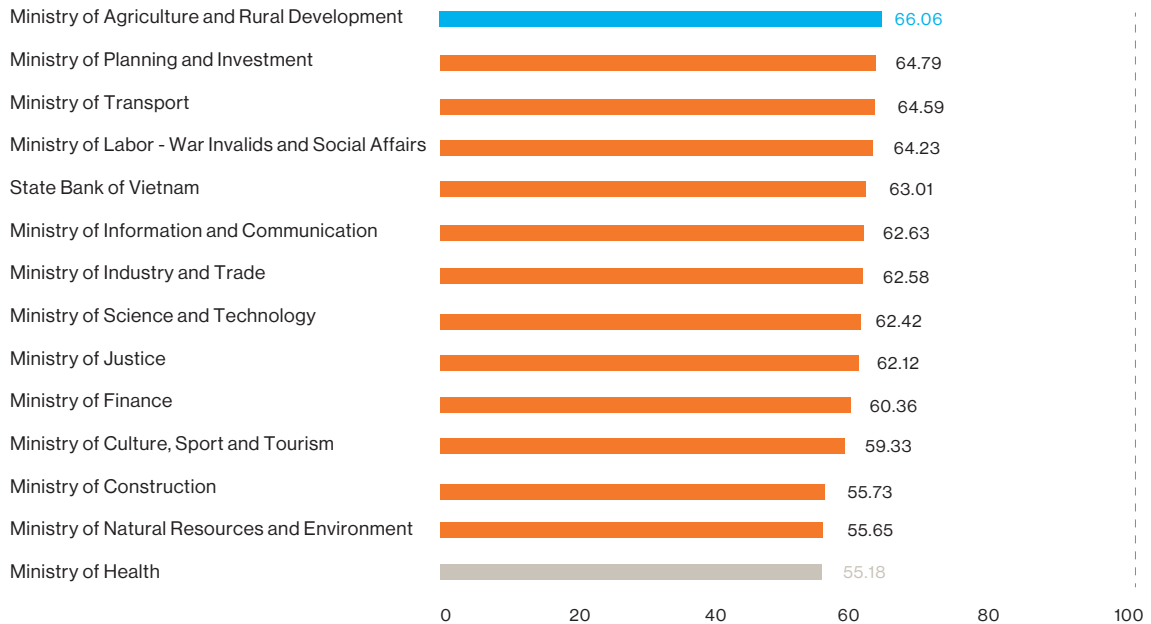
MEI 2014 result shows that in general, LND drafted by Ministries in 2014 have slightly improved in quality, with 12 out of 14 Ministries scoring higher, while only 2 Ministries scoring lower comparing to MEI 2012. Though this Index lost its lead position in efficiency (in MEI 2012) comparing to other Indexes, it still holds second position in MEI 2014, with average score by Ministries being 61.33 points/100). However, overall, this Index scores only medium high marks in efficiency, which is far from expected.

Leading in quality of LND in MEI 2014 is Ministry of Agriculture and Rural Development, with score of 66.06 points/100. Last in the list of LND quality is Ministry of Health, with a score of 55.18 points/100.

In the group of Ministries with best improvement in quality of LND comparing to MEI 2012 is Ministry of Transport (16.07% increase) and State Bank of Vietnam (13.71% increase). Ministries dropping the ranking are Ministry of Culture, Sport and Tourism, with 4.37% decrease.

Analysis of details show that quality aspects of LND drafted by Ministries are considered almost equal, “transparency” in legislations drafted by Ministries is considered worst, with average score of 60.99 points/100, “consistency, feasibility” score is 61.39 points/100 and “reasonability”, which scores highest, is only at 61.55 points.

Chart 2 Ranking of Quality of legal normative documents



RANKING OF MAKING INFORMATION PUBLIC, LAW PROPAGANDA AND DISSEMINATION

Scoring of Making information public, law propaganda and dissemination is a result derived from Index on efficiency of activities in making information public, law propaganda and dissemination, which is an Index in law implementation area of MEI 2014 and calculated based on results of the survey of BAs.

This Index in MEI 2014 has an average score among Ministries being 60.49 points/100, just at medium high level. Comparing to MEI 2012, this Index recorded considerable improvement, with 8.22 points increase, or 15.74%, which is a second-high improvement among 5 legal activities groups assessed in MEI 2014.

Remarkably, improvement efforts are recorded in all Ministries, with all 14 Ministries marking improvements in this Index. As a result, while in MEI 2012 there were 6/14 Ministries scoring below average (below 50 points/100) in efficiency in making information public and law propaganda and dissemination, in MEI 2014 the Ministry with lowest score recorded 57.71 points/100.

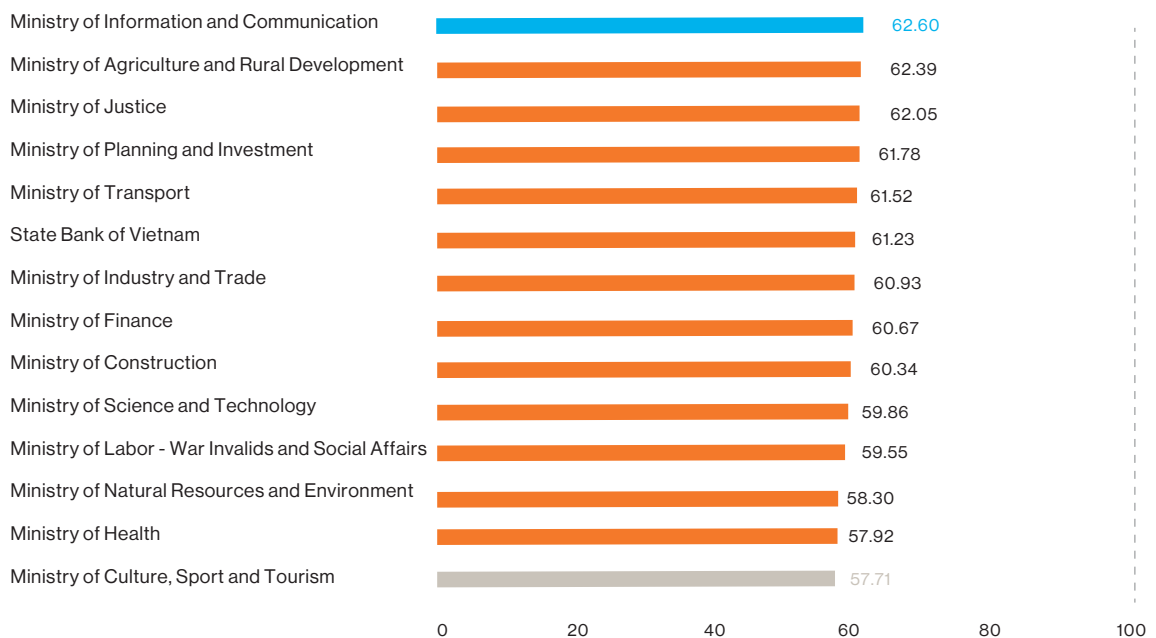
However, when comparing above result to expectations, the scores, which are just average, show that in this area of activities there is still a big gap between initial Ministries' efforts and desired result. In relatively easy area of activities, such as in case of this Index, average score of efficiency, even after an improvement, indicates that there are still many problems with Ministries' transparency in legal information.

Leading group of Ministries in this Index include Ministry of Information and Communication (62.6 points/100), Ministry of Agriculture and Rural Development (62.39 points/100) and Ministry of Justice (62.05 points/100). Group with lowest score in making information public and law propaganda and dissemination include Ministry of Culture, Sport and Tourism (57.01 points/100), Ministry of Health (57.92 points/100) and Ministry of Natural Resources and Environment (58.3 points/100)/

Considering rate of improvement to MEI 2012, group of Ministries with highest increase in efficiency include Ministry of Information and Communication (32.96% increase), Ministry of Finance (30.24% increase) and Ministry of Natural Resources and Environment (27.87%).

In details, information most commonly made public by Ministries is full text of LND under Ministry's jurisdiction, least public is Ministry's official letters. Most widely used and effective channel of publication remains electronic webpages of the Ministries.

Chart 3 Ranking of Efficiency in making information public, law propaganda and dissemination



RANKING OF EFFICIENCY IN LAW IMPLEMENTATION

Scoring of efficiency in Law implementation is a result derived from Index on efficiency in law implementation activities, which is an Index in law implementation area of MEI 2014 and calculated based on results of the survey of BAs.

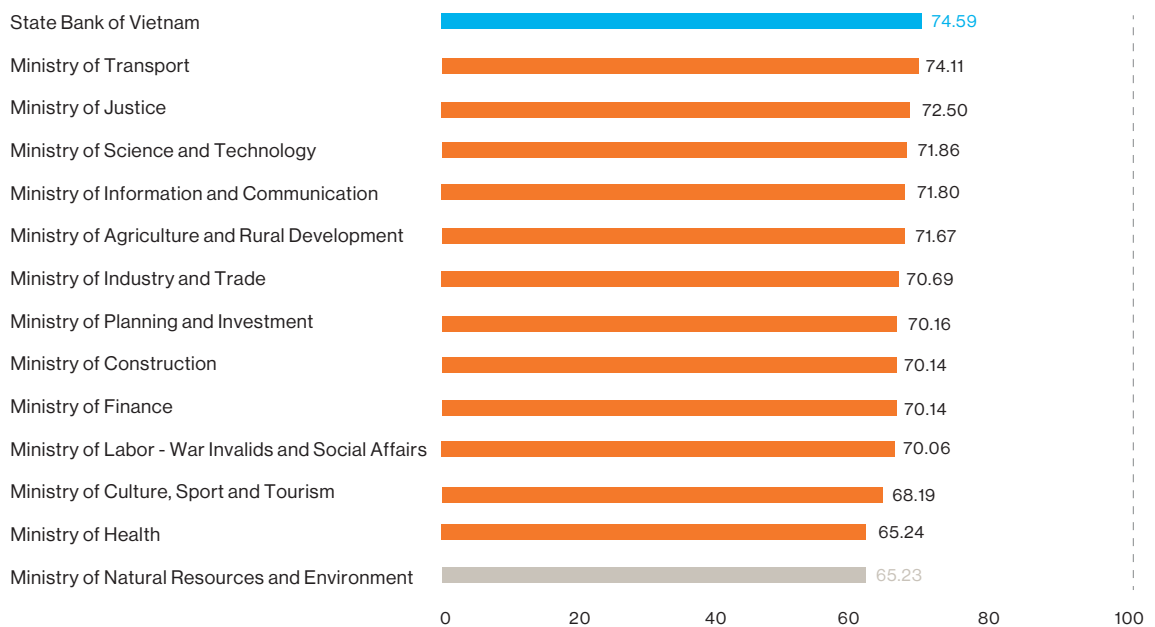
Index of law implementation is a leader of MEI 2014 both in scoring and improvement rate comparing to MEI 2012. With average Ministries's score of 70.46 points/100, law implementation activity becomes an activity with highest efficiency in MEI 2014 and the only with Good results. Similarly, with 25.95% improvement over MEI 2012, this Index leads MEI 2014 in efficiency improvement rate. Considering each Ministry, this is also a highest-scoring activity of all Ministries and is an activity with best improvement of 12/14 Ministries.

Group of Ministries leading the chart in this Index include State Bank of Vietnam (74.59 points/100), Ministry of Transport (74.11 points/100) and Ministry of Justice (72.5 points/100). Group at the bottom include Ministry of Natural Resources and Environment (65.23 points/100), Ministry of Health (65.24 points/100) and Ministry of Culture, Sport and Tourism (68.19 points/100). Remarkably, scoring of this activity of the Ministries, even at the bottom group is very high comparing to score of the leading group in many other Indexes of MEI 2014.

Considering improvement of score to MEI 2012, group of Ministries with highest improvement in this Index include Ministry of Transport (50.99% increase), Ministry of Construction (35.04%) and State Bank of Vietnam (29.2% increase). With such impressive improvement, Ministry of Transport, formerly last in this Index in MEI 2012, has jump to second position in Index of law implementation in MEI 2014.

Deeper analysis show that such impressive achievement in this Index was made possible due to basic law implementation activities (averagely 79.86 points/100). Addressing burning issues in governance practice scored lower efficiency (though still at medium high level – 62.39 points/100), while promulgation of guiding documents on LND from upper instances scored only medium marks (59.71 points/100).

Chart 4 Ranking of Efficiency in law implementation



RANKING OF REVIEWING, INSPECTING, SUMMARIZING OF LAW IMPLEMENTATION

Scoring of Reviewing, inspecting, summarizing of law implementation is a result derived from Index on efficiency of related activities that belong to law implementation area of MEI 2014 and calculated based on results of the survey of BAs.

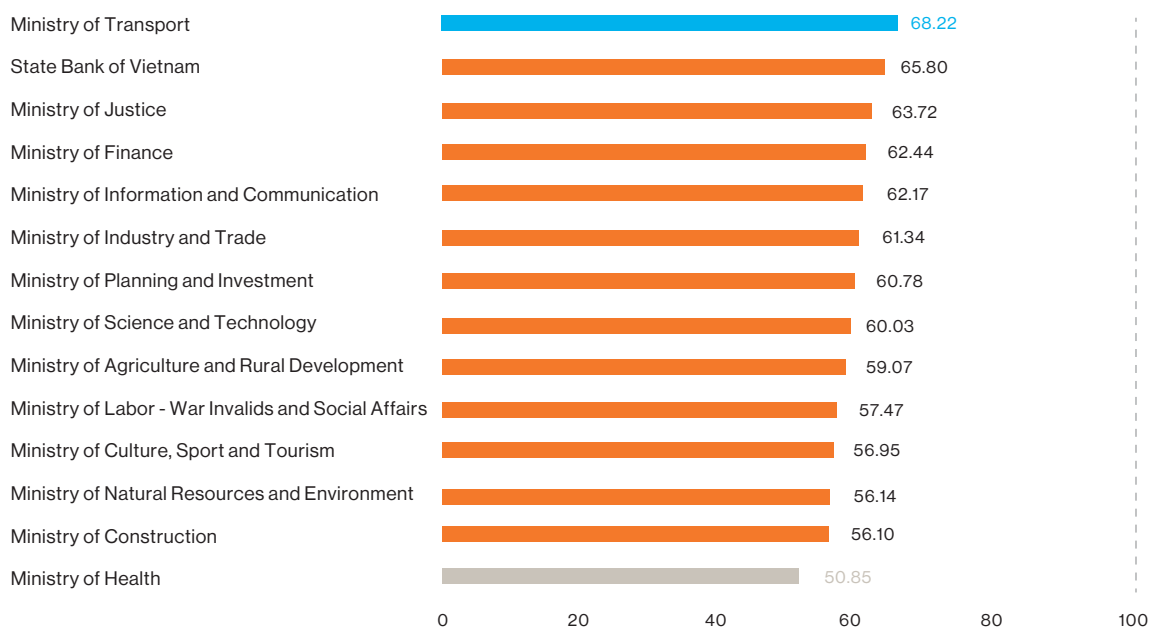
Average score of Ministries in this Index is 60.08 points/100, just at the medium high level and is a 7.8% increase over MEI 2012, lower than average improvement score of MEI 2014. In comparison to law implementation Indexes, this Index is “weakest” in both scoring and improvement over MEI 2012.

Improvement efforts among Ministries is not equal among Ministries. While some Ministries keep their position almost unchanged (Ministry of Labour – Invalids and Social Welfare; Ministry of Planning and Investment, Ministry of Justice), other Ministries recorded considerable improvements (Ministry of Transport, with 41.16% increase).

Leading group in efficiency in this Index include Ministry of Transport (68.22 points/100, just shy of Good level), State Bank of Vietnam (65.8 points/100) and Ministry of Justice (63.72 points/100). Ministry of Health holds last position, with scores just at average level (50.85). This Index sees almost no change in lead – last groups comparing to MEI 2012 except the only case of Ministry of Transport – from last but one position in MEI 2012 to leading Ministry in this Index in MEI 2014.

Details show that reviewing activities to discover shortcomings for subsequent adjustment are considered least efficient comparing to two remaining activities of inspecting and detecting and processing of violations by Ministry officials as well as by businesses.

Chart 5 Ranking of Efficiency in review, inspection and summarizing of law implementation



SUMMARY

MEI 2014 is a “snap-shot” of overall picture of legal performance of Ministries, which has many brighter, more hopeful areas.

MEI 2014 is also a reflection by business associations on initial results in institutional reforms efforts that Government, together with related Ministries and agencies, initiated and widely implemented in 2014 in all aspects of State governance in economy.

Despite the fact that MEI 2014 looks brighter than MEI 2012, it can not be overlooked that efficiency of majority (4 out of 5) Indexes still have not surpassed the Medium score (though moved from Medium to Medium high), and therefore is still far from expected efficiency. We also can not omit a dark spot in MEI 2014 – Drafting of LND, the only Index in MEI 2014 that decreased in score.

Overall, MEI 2014 is a meaningful encouragement for Ministries to continue on making reforming efforts in their legal activities in future, with ways and means that have been proved and have brought initial results. MEI 2014 is also an important warning for Ministries to specifically concentrate their efforts on improving efficiency in LND drafting, an important activity that is a prerequisite for efficiency of their other legal activities.

ANNEXES

MEI 2014 METHODOLOGY

ASSESSMENT BASED ON PERCEPTION/ IMPRESSION

MEI Index is mainly based on survey of perception/impressions by Vietnam business associations (18/19 criteria). Namely, judging from their own practical experience, viewpoint and perspective, BAs were requested to rate efficiency of Ministries' law development and implementation activities.

REASONING

Perception-based rating Index is almost the only format that can be applied to Indexes without hard data, such as index on satisfaction of service/product users, index evaluating efficiency of a job (intangible product)... Moreover, impression is a drive behind behaviour, and as such, impression-based index is an important factor in case of rating indexes for proposal of related behaviour change.

In particular case of MEI, selection of perception-based data is reasoned by:

- Unavailability of sufficient, fair and objective data source reflecting legal activities by 14 Ministries selected by MEI;
- In principle, efficiency assessment of law-based governance of the society can not be done without impression by those governed/affected by law;
- World studies, indexes related to performance efficiency (in different aspects) of government agencies are all based to some extent on impression judgment by governed subjects, such as people, entrepreneurs²;
- From perspective of efficiency assessment, in order to devise suitable course of improvement, impression (though sometimes can differ from objective reality) of those governed on those governing bears important practical meaning.

SUPPLEMENTARY TECHNICAL MEASURES

Research team concentrated efforts on mitigating "shortcomings" of perception-based Indexes.

Measurers to minimize the gap between perceptions of subjects on same issue during design of the Survey questionnaire:

- Explaining the issue: Definitions are provided in short, precise manner to minimize different perceptions due to misinterpretation;

² Some examples:

- Provincial Competitiveness Index – PCI carried out by VCCI-USAID since 2006 (and similar Indexes using same methodology in Cambodia, Sri Lanka, Indonesia)
- Global Competitiveness Index GCI carried out by World Economic Forum WEF since 2005
- World Governing Index carried out by World bank WB since end of 90-x
- Index on legal governance system – RMS, Index on Law on market and products – PMR, etc.

- Selection of terms: Terms/words used are simple, easy-to-understand, common/widely used to guarantee that subject in different locations, from different cultural background can understand questions correctly and answer correctly to the point;
- Wording: designed with common structure so that the user can understand the issue correctly without necessarily following scientific terms or goals of related component index;
- Selection of survey issues: Concentrate on issues that the subjects are deemed to know or understand in general terms (in accordance with law or practice). Issues, though related to Index in question but out of, or not surely in the subjects' knowledge or practical experience are not included in the Survey questionnaire;
- Design of options: For each question in survey, offered options are covering all answering variations that can happen in practice so that the respondent can choose the answer that best suits his/her practical perception (to avoid forced impressions, hence biasing the survey).

Verification/filtering of data:

- Initial verification: comments by experts, Ministries and associations at MEI round table on methodology.
- Second verification: Sampling (test) on 8 Associations from central areas (such as Hanoi) and remote areas (Quang Ninh), which are central and local level associations, multi-sectorial and single-sectorial. Responses on issues that are ambiguous or can lead to different interpretations are considered and reflected through corresponding adjustments in the final questionnaire.
- Third verification: Done while processing responses. Questions in the questionnaire that lead to more than one way of interpretation and answering are considered from theoretical aspect (reconsideration by Research team) and practical aspect (direct discussion with the respondent over phone). In case corrections are possible to reflect perception of the respondent more precisely, Research team will further clarify the answer in the Survey questionnaire with the respondent's consent. In case such corrections are not possible, the Research team will neglect (will not consider) such responses in the final Index.

SURVEY ON PERCEPTIONS OF BUSINESS ASSOCIATIONS

REASONING

Group of Business Associations are selected for this survey on MEI because they are considered best suited to MEI Index requirements.

- Right target: BA have general function of connecting point for businesses, business organizations with individual and State representation in issues related to law policy, including law development and implementation. BA are considered best suited subjects, logically and practically, best informed to assess efficiency of business law development and implementation by Ministries based on BA's experience and practical knowledge.
- Secondly, representation: though small in number by BA can reflect opinion, viewpoint of very large group (business members of associations).

SUPPLEMENTARY TECHNICAL MEASURES

Research team use different technical measures in the Survey to minimize the cases of BA providing perception without information on related subject. For example:

- Allowing BA to omit issues/Ministries that the association does not have information on;
- Using filtering questions on associations' knowledge on Ministries' legal activities to eliminate associations' answers on Ministries that the association admits having no information;
- Repeating in all survey's questions that the association shall only answer on issues that they have information on.

ASSESSED ACTIVITIES

With selected subjects (BAs), Research team reviewed law development and implementation activities of the Ministries to find out how these activities are related (and how informed) to BAs:

No	Type of activities	Does BA have information for assessment of activities?	Reasoning - Basis
A	Law development		Law on promulgation of LND and implementation guiding documentation
1	Initiatives on law development	Yes	BAs are not subjects that have rights to propose legal initiatives; Approval process of legal initiatives does not have stage of consulting with BAs However, in general associations can assess on necessity (an aspect reviewed at this stage) of a legal initiative from perspective of their own practical experience
2	Summarizing, reality, assessment of impact (RIA)	Yes	Business and BAs are those affected and/or subjects of social relation that shall be reviewed, therefore, are assumed knowledgeable of above Ministry's activity
3	Drafting of LND	No	This activity is carried out within Drafting committee, Editing unit
4	Consulting on LND draft	Yes	Businesses and BAs are subject to be consulted, therefore assumed knowledgeable of above Ministry's activity
5	Reception of opinion, evaluation, inspection	No	This activity is carried out within Drafting committee, Editing unit, evaluating, inspecting agency
6	LND is passed and enforced	Yes	BAs can assess content of passed LND in a capacity of representative for businesses, the subject governed by LND

No	Type of activities	Does BA have information for assessment of activities?	Reasoning - Basis
B	Law implementation		Decree on functions and tasks of Ministries Law on promulgation of LND and implementation guiding documents
7	Development of sectorial strategy and master plan	Yes	BAs can assess method of promulgation and content of strategy, master plan in the capacity of representative of businesses – subject governed by strategy, master plan
8	Promulgation of decision, directive, circular	Yes	BAs can assess method of promulgation and content of these documents in the capacity of representative of businesses – subject governed by strategy, master plan
9	Promulgation of economic, technical norms	Yes	BAs can assess method of promulgation and content of these norms in the capacity of representative of businesses – subject governed by norms
10	Direct, guide, inspect implementation of LND, strategy, master plans	Yes	BAs can assess how the Ministry is implementing this, as well as its efficiency in its own capacity or as a representative of businesses, recipients of legal documentation
11	Information on, propaganda, dissemination, education of law	Yes	BAs can assess how the Ministry is implementing this process, as well as its efficiency of this process in its own capacity or as representative of businesses, recipients of legal information
12	Law review	Yes	Review is carried out based on assessment of efficiency, actual impact of LND on affected subject – as a representative of businesses, BA can assess this activity of the Ministry

With above analysis, Research team decided to develop MEI based on 5 component Indexes. Each component Index assesses a group of law development, implementation activities that have similar nature, including:

- Drafting of LNDs
- Quality of LNDs
- Making information public and law propaganda, dissemination
- Law implementation
- Review, inspection, summarizing of law implementation

On each Index, assessment shall be made from different aspects (issues) of the Index so that full and detailed assessment can be achieved (called “sub-index”).

CALCULATION OF SCORE

Each Index includes many Sub-indexes, with total score of 100 points. Score of each Sub-index in Index will be calculated in accordance with ratio/importance of the above Sub-index in relation to other sub-index in the Index. Ratio of the sub-index is divided based on consultation and assessment of about 100 leading legal experts in Vietnam.

For each sub-Index, scoring scale (in accordance to BAs' assessment) consists of 5 ranking levels (Excellent – Good – Average – Weak – Very weak), corresponding to 100% - 75% - 50% - 25% - 0% of maximum score for each activities in question. Average score is one given to Ministry that performs its functions just to the extent required by relevant law. Scores below Average are ones given to Ministries that underperform and/or perform with low efficiency. Scores above Average are given to Ministries that perform at medium high, good or very good level.

While answering to survey questions (ranking Ministries on each sub-index), BAs will choose scoring for efficiency of the Ministry in one of 5 above scales (by ticking the option or writing corresponding number, depending on design of each question).

Score of the Ministry in each Sub-index will be calculated as an average score given by BAs on the Ministry in each aspect of the Sub-index. Score of Ministry in each Index is a sum of scores that Ministry get in each corresponding Sub-index.

DETAILED SCORES

	Drafting of LND							Quality of LND				
	Neces- sity of LND (15)	Mode of comments collection (10)	Information on final draft (15)	Information provided for comments collection (15)	Duration for comments (10)	Processing of comments (20)	Collecting comments from VCCI (15)	A1 (100)	Trans- parency (25)	Consist- ency, feasibility (50)	Reason- ability (25)	A2 (100)
Ministry of Industry and Trade	9.48	5.97	5.15	7.62	6.91	10.82	6.14	52.09	16.01	30.93	15.64	62.58
Ministry of Transport	9.09	6.42	4.78	7.78	6.79	10.42	7.79	53.07	15.97	32.36	16.25	64.59
Ministry of Planning and Investment	9.50	6.07	4.93	7.68	6.79	11.11	12.00	58.08	16.16	32.81	15.82	64.79
Ministry of Science and Technology	9.13	5.97	4.45	7.67	6.90	10.91	5.56	51.60	15.74	31.01	15.67	62.42
Ministry of Labor - War Invalids and Social Affairs	8.65	5.36	3.65	6.42	7.09	10.58	11.43	53.18	15.94	31.88	16.41	64.23
Ministry of Agriculture and Rural Development	9.29	5.90	4.83	7.92	7.04	11.87	6.75	53.61	15.71	33.44	16.91	66.06
Ministry of Finance	9.26	5.89	4.76	7.59	6.60	10.91	5.12	50.12	15.14	30.43	14.78	60.36
Ministry of Natural Resources and Environment	8.46	5.73	3.75	7.20	7.10	10.52	4.38	47.13	13.72	28.12	13.81	55.65
Ministry of Information and Communication	8.78	5.70	4.84	7.42	6.80	10.49	1.88	45.91	15.46	31.35	15.82	62.63
Ministry of Justice	9.35	5.98	5.05	7.15	7.60	11.32	10.00	56.45	15.71	31.00	15.41	62.12
Ministry of Culture, Sport and Tourism	8.52	4.87	4.01	6.77	6.05	10.81	3.75	44.78	14.58	29.98	14.76	59.33
Ministry of Construction	8.59	5.32	5.04	6.95	6.48	10.61	3.46	46.45	13.61	27.93	14.19	55.73
Ministry of Health	7.92	5.18	3.88	6.17	6.22	9.05	7.50	45.92	13.49	27.47	14.22	55.18
State Bank of Vietnam	9.49	5.84	4.44	7.35	6.92	10.68	2.56	47.27	16.23	31.04	15.74	63.01
Maximum score	9.50	6.42	5.15	7.92	7.60	11.87	12.00	58.08	16.23	33.44	16.91	66.06
Minimum score	7.92	4.87	3.65	6.17	6.05	9.05	1.88	44.78	13.49	27.47	13.81	55.18
Average score	8.97	5.73	4.54	7.26	6.81	10.72	6.38	50.40	15.25	30.70	15.39	61.33

Making Information public, law propaganda and dissemination				Law Implementation			Reviewing, inspection, summarizing of law implementation				
Providing informa- tion (35)	Information accessi- bility (35)	law propa- ganda and dissemi- nation (30)	B1 (100)	Basic law implemen- tation activities (50)	Guidance on LND implemen- tation (25)	Account- ability (25)	B2 (100)	Monitoring, inspecting, detecting and processing of violation by officials (30)	Monitoring, inspecting, detecting and processing of violations by businesses (30)	Detection and adjust- ment of law short- comings (40)	B3 (100)
21.21	22.00	17.71	60.93	39.82	14.45	16.42	70.69	18.33	18.78	24.24	61.34
21.57	22.02	17.92	61.52	40.57	15.35	18.18	74.11	20.26	20.97	26.99	68.22
22.39	22.10	17.29	61.78	39.65	14.68	15.83	70.16	18.41	18.21	24.16	60.78
21.09	21.73	17.04	59.86	40.69	15.81	15.35	71.86	17.93	18.17	23.92	60.03
21.09	21.39	17.07	59.55	40.49	14.75	14.82	70.06	17.54	17.13	22.80	57.47
22.35	22.14	17.90	62.39	40.92	15.16	15.59	71.67	18.38	17.94	22.75	59.07
22.28	21.27	17.12	60.67	40.42	14.29	15.43	70.14	19.21	19.08	24.15	62.44
20.68	21.03	16.59	58.30	37.86	13.96	13.40	65.23	17.50	17.11	21.53	56.14
22.06	23.05	17.50	62.60	39.95	15.75	16.10	71.80	19.36	18.49	24.31	62.17
21.69	22.58	17.78	62.05	40.28	15.43	16.80	72.50	19.39	18.96	25.37	63.72
20.15	20.60	16.96	57.71	38.38	14.83	14.98	68.19	17.65	17.12	22.18	56.95
21.05	21.74	17.54	60.34	41.41	14.29	14.45	70.14	17.01	17.06	22.03	56.10
20.42	20.56	16.93	57.92	37.76	13.90	13.57	65.24	16.50	14.64	19.71	50.85
22.36	21.34	17.53	61.23	40.84	16.34	17.42	74.59	20.31	19.46	26.02	65.80
22.39	23.05	17.92	62.60	41.41	16.34	18.18	74.59	20.31	20.97	26.99	68.22
20.15	20.56	16.59	57.71	37.76	13.90	13.40	65.23	16.50	14.64	19.71	50.85
21.46	21.68	17.35	60.49	39.93	14.93	15.60	70.46	18.41	18.08	23.58	60.08

INDEX SCORES OF MINISTRIES

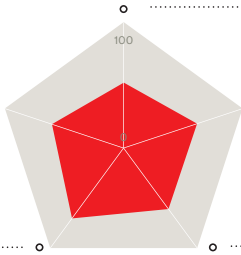
Ministry of Industry and Trade

61.34

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

70.69

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

62.58

A2 - QUALITY OF LND

60.93

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

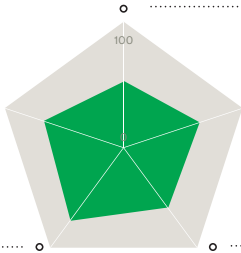
Ministry of Transport

68.22

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

74.11

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

64.59

A2 - QUALITY OF LND

61.52

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

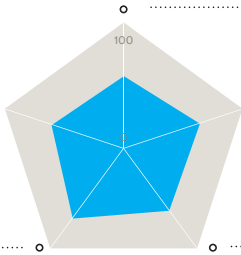
Ministry of Planning and Investment

60.78

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

70.16

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

64.79

A2 - QUALITY OF LND

61.78

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

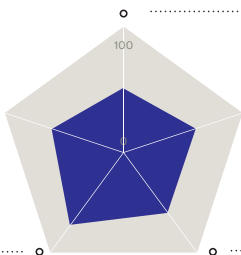
Ministry of Science and Technology

60.03

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

71.86

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

62.42

A2 - QUALITY OF LND

59.86

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

Ministry of Labor - War Invalids and Social Affairs

53.18

A1 - DRAFTING OF LND

57.47

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

64.23

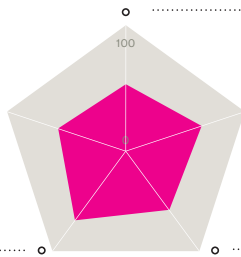
A2 - QUALITY OF LND

70.06

B2 - LAW IMPLEMENTATION

59.55

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION



Ministry of Agriculture and Rural Development

53.61

A1 - DRAFTING OF LND

59.07

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

66.06

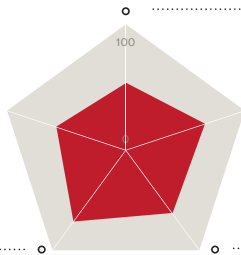
A2 - QUALITY OF LND

71.67

B2 - LAW IMPLEMENTATION

62.39

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION



Ministry of Finance

50.12

A1 - DRAFTING OF LND

62.44

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

60.36

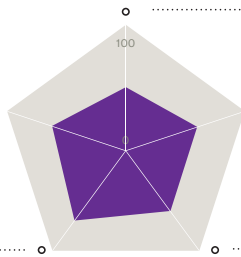
A2 - QUALITY OF LND

70.14

B2 - LAW IMPLEMENTATION

60.67

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION



Ministry of Natural Resources and Environment

47.13

A1 - DRAFTING OF LND

56.14

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

55.65

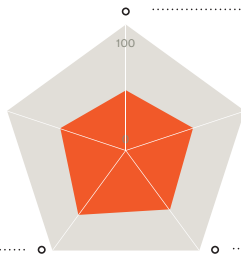
A2 - QUALITY OF LND

65.23

B2 - LAW IMPLEMENTATION

58.30

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION



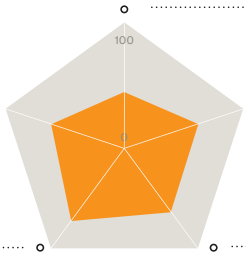
Ministry of Information and Communication

62.17

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

71.80

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

45.91

A2 - QUALITY OF LND

62.63

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

62.60

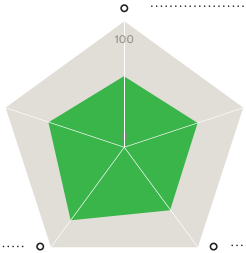
Ministry of Justice

63.72

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

72.50

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

56.45

A2 - QUALITY OF LND

62.12

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

62.05

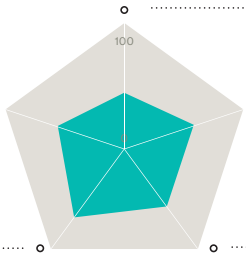
Ministry of Culture, Sport and Tourism

56.95

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

68.19

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

44.78

A2 - QUALITY OF LND

59.33

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

57.71

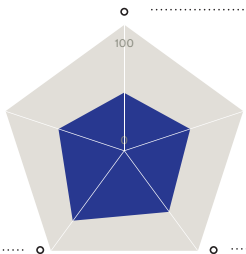
Ministry of Construction

56.10

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

70.14

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

46.45

A2 - QUALITY OF LND

55.73

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

60.34

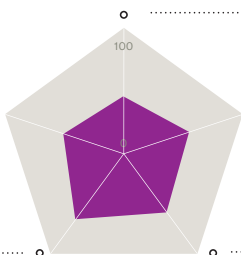
Ministry of Health

50.85

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

65.24

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

45.92

A2 - QUALITY OF LND

55.18

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

57.92

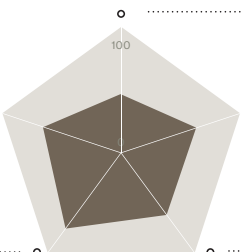
State Bank of Vietnam

65.80

B3 - REVIEWING, INSPECTION,
SUMMARIZING OF LAW IMPLEMENTATION

74.59

B2 - LAW IMPLEMENTATION



A1 - DRAFTING OF LND

47.27

A2 - QUALITY OF LND

63.01

B1 - MAKING INFORMATION PUBLIC,
LAW PROPAGANDA AND DISSEMINATION

61.23

**PHÒNG THƯƠNG MẠI VÀ CÔNG NGHIỆP VIỆT NAM - VCCI
TRUNG TÂM THƯƠNG MẠI QUỐC TẾ**

9 Đào Duy Anh, Hà Nội, Việt Nam

Tel: (84-4) 3574-2022

Fax: (84-4) 3574-2020

Email: xdphapluat@vcci.com.vn

Website: www.vibonline.com.vn/ www.vcci.com.vn