Assessment report

BUSINESS SATISFACTION AND TIME NEEDED TO CARRY OUT ADMINISTRATIVE PROCEDURES THROUGH THE NATIONAL SINGLE WINDOW

www.vnsw.gov.vn

Ha Noi, May 2020

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ACKNOWLEDGMENTS

The Assessment Report on Business Satisfaction and Time for Carrying out Administrative Procedures through the National Single Window is a joint effort of the Vietnam Chamber of Commerce and Industry (VCCI), General Department of Vietnam Customs (GDVC) under the Ministry of Finance, and the USAID Trade Facilitation Program, with an aim to further promote and improve the performance of the National Single Window Portal and facilitate trade for businesses in the adoption of import and export related administrative procedures.

This report was developed under the direct guidance of Dr. Vu Tien Loc, VCCI Chairman and President, Vice-chair of the Prime Minister's Advisory Council for Administrative procedures reform; Mr. Nguyen Van Can, GDVC Director General, and Mr. Hoang Viet Cuong, GDVC Deputy Director General under the MOF; with significant contribution from Mr. Claudio Dordi, Chief of Party of the USAID Trade Facilitation Program (USAID-Trade Facilitation Program). Mr. Alistair Gall, Senior Trade Facilitation Expert, and Ms. Le Thu Hien, Private Sector Expert of the USAID-Trade Facilitation Program provided their valuable comments and insights to the report and also supported the management of this assignment.

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The assessment report on business satisfaction and time spent on administrative procedures through the National Single Window was jointly prepared by the Vietnam Chamber of Commerce and Industry, General Department of Vietnam Customs under the Ministry of Finance, and the USAID Trade Facilitation Program. The analyses and observations presented in this report are those of the research team and do not necessarily reflect the views of organizations or individuals named herein.

LIST OF ABBREVIATIONS

APs	Administrative procedures
ASEAN	Association of Southeast Asian Nations
Committee 1899	National Steering Committee on ASEAN Single Window, National Single Window and Trade Facilitation
GDVC	General Department of Vietnam Customs
IT	Information technology
NSW	National Single Window
USAID	United States Agency for International Development
VCCI	Vietnam Chamber of Commerce and Industry

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EXECUTIVE SUMMARY

The use of information technology has become more and more common in Vietnam for handling of administrative procedures, especially those relating to international trade and transport. The development and operation of the National Single Window (NSW) can be taken as a typical example. This infrastructure allows trade and transport-related entities to submit or receive information and standardize documents through a single point when they carry out administrative procedures. From the time of its official operation in November 2014 to January 2020, the NSW of Vietnam has integrated 188 administrative procedures (APs) of 13 line Ministries and agencies. Also, within this period, 2.8 million records of more than 35,000 businesses were handled through the NSW Portal – a key component of the present NSW.

Following the direction provided by the National Steering Committee on ASEAN Single Window, National Single Window and Trade Facilitation (Committee 1899), the General Department of Vietnam Customs (GDVC) and Vietnam Chamber of Commerce and Industry (VCCI) have jointly conducted a survey on "Business satisfaction with administrative procedures carried out through the National Single Window." Significant resources for the survey were provided by the USAID Trade Facilitation Program. The survey aims at collecting opinions from businesses about the actual handling of APs via the NSW Portal. Outcomes of the report will help promote more substantial and effective reform activities of Ministries and agencies having APs on the NSW.

Within the framework of the survey, 12 APs most frequently applied on the NSW Portal of five Ministries and agencies were chosen for assessment. They belong to the Ministry of Industry and Trade, Ministry of Transport, Ministry of Agriculture and Rural Development, Ministry of Science and Technology, and Ministry of Health. Collection of data started from end of November 2019 to mid-January 2020 with 3,085 valid responses received from businesses, among which 70% are domestic private businesses, 28% foreign invested enterprises, and approximately 2% state-owned enterprises. Small-scale businesses with less than 50 employees or with a capital of under 20 billion Vietnam Dong account for 60% of the survey respondents. Also, among the respondents, more than 80% of them are import-export enterprises, and the less popular field of business is logistics services or customs brokerage. About 53% of enterprises have more than two years' experience in carrying out APs through the NSW Portal. APs are mostly conducted by businesses themselves instead of authorizing a third party, and this is common for two-thirds of the surveyed enterprises.

In this report, Part 2 *"Functions and operation of the National Single Window"* presents the views of businesses on fundamental functions of the NSW Portal, such as creating user account/logging in, managing records, viewing and printing records, viewing and printing licenses/certificates, and support utilities. This part also provides opinions of enterprises about a number of technical elements of the NSW, such as operational stability, task processing speed, interface/look and feel, or information update frequency.

Analyses reveal that a majority of the fundamental functions of the NSW Portal run properly. Key functional groupings such as "create an account and log in," "view and print records," "manage records," and "view and print licenses/certificates" are quite easy to use for most businesses that have had a chance to experience the Portal. The percentage of enterprises considering these functions easy/very easy to use is 95%, 93%, 93% and 89%, respectively. With regard to other functions and utilities, about 19% of businesses still have certain difficulties. When specific functions are evaluated separately, the ones that businesses find most difficult to use include "Q&A" (35%), "withdraw/delete records" (26%), "search" (18%), and "revise records" (17%).

The NSW Portal needs to have its technical infrastructure upgraded. Even though the surveyed businesses were satisfied with almost all of the technical aspects of the NSW Portal, there is still room for improvement of a few technical elements. About 27% of enterprises were not satisfied with the unstable performance of the Portal due to connection errors. About 20% of them thought the processing speed was slow. Other issues, such as unclear guidances on APs, low number of APs being incorporated into the Portal, unorganized interface, or infrequent updates, were also mentioned but with a lower percentage of dissatisfied businesses (between 9% and 13%). Experiences with these technical problems are generally not much different between various groups of businesses, even those that have carried out AP through the NSW Portal for many years.

Part 3 *"Implementation of administrative procedures on the National Single Window Portal"* focuses on experiences of businesses with specific APs among the 12 chosen for the survey. Besides learning about the level of convenience when carrying out the procedures, this part also analyzes the time, costs, and staffing required of businesses to follow APs through the NSW, and evaluates changes in comparison with the traditional approach before the existence of the NSW. In addition, other analyses in this part of the report help identify stages of a specific AP that are most costly and time consuming for users. Qualitative information is used to explain the observations made during the survey.

Among the procedures being surveyed, procedures of the Ministry of Trade and Industry and Ministry of Agriculture and Rural Development are easier to carry out than those of three other Ministries (Ministry of Health, Ministry of Transport, and Ministry of Science and Technology). The two most common procedures for businesses (in terms of the number of times businesses apply the procedure in a year and the total number of businesses having applied the procedure) are "Issuing preferential C/Os" and "Issuing phytosanitary certificates for plants imported, in-transit and domestically transported.." They are also the easiest procedures, with only about 15% of businesses reported difficulties. This percentage is considerably lower than that of the procedures for "Issuing licenses to import medical equipment and appliances" (34%) and "Issuing receipt numbers for the notification of imported cosmetic products" (29%). If taken the threshold of 25% of businesses facing difficulties as the reference value, the two procedures of the Ministry of Transport, namely "Issuing quality, technical safety and environmental protection certificates for imported motorized vehicles" and "Issuing quality, technical safety and environmental protection certificates for special-use vehicles" both have 28% of enterprises encountering difficulties. Similarly, 26% of businesses found it difficult with the procedure for "Quality examination of imported goods."

There are three reasons for such difficulties. Firstly, the procedure handling systems of line Ministries are not completely "electronic." This happens when businesses both carry out procedures on the NSW Portal and submit paper documents to line Ministries in parallel. Secondly, the record handling status is not clearly shown, with a typical example of businesses having their records returned without clear explanations, and errors in the records not being listed all at once. Consequently, businesses have to withdraw and alter documents many times before such documents are accepted. Lastly, the document handling progress at line Ministries is delayed, oftentimes for no plausible reasons, resulting in the loss of time and costs for businesses.

Overall, the implementation of the NSW brings about a positive change to the time needed to carry out APs. However, this change does not occur evenly across the procedures and line Ministries. The time spent by businesses has reduced for 10 out of 12 APs. The number of days saved in comparison with the traditional approach is between 1 and 3 days, and the number of days for handling procedures is generally within the time limit prescribed in legal documents. Contrary to the common trend, there is a considerable percentage of businesses not recognizing the positive change to the time needed to carry out two procedures of the Ministry of Health (MOH), namely "Issuing licenses to import medical equipment and appliances" and "Issuing receipt numbers for the notification of imported cosmetic products." The median number of days spent by an enterprise applying for "issuing licenses to import medical equipment and appliances" is still as long as 30 days. Meanwhile, the procedure for "issuing receipt numbers for the notification of imported cosmetic products" costs businesses an average of one day more compared to the direct filing of documents to MOH previously. More than half of the surveyed businesses did not get the last two procedures handled within the time limit set out in legal documents.

In addition, the evaluation of time spent in each stage of a specific AP shows a time consumption trend (in ascending order) for APs respectively as follows: (i) filing information, (ii) conformity assessment (by the private sector), (iii) conformity assessment (by the State), and (iv) receiving and processing records. This has reinforced the need for promoting reforms of the information and record receipt and processing process of line Ministries.

The implementation of the NSW also helps save costs for enterprises for almost all procedures compared to the previous traditional approach. Costs have reduced by more than half for 8 APs, with the highest reduction for "issuing certificates of chemical declaration" (93% reduction), "registration for quality examination and verification of imported animal feed" (82% reduction), or "issuing licenses to export/import industrial precursor chemicals" (73% reduction). Meanwhile, "issuing licenses to import medical equipment and appliances" is the only AP countering the trend when the cost increased by 19% on average compared to that of the traditional approach. This result is similar to that of the analysis of time and general satisfaction of businesses with procedures of MOH.

Similar to the review of stages for assessment of time, the cost analysis also reveals that the stage of "filing information" costs the least. Meanwhile, there is an insignificant difference in cost of the remaining three stages, including "receiving and processing records," "conformity assessment (by the State)," and "conformity assessment (by private sector)," even though conformity assessment by private sector often costs less.

Considering the changes in other factors, the improvement is clearly seen for three procedures, namely "information about the processing progress," "reduced number of records" and "clarity of templates/forms" due to the shift from the traditional approach to the NSW. On the contrary, relevant entities need to make a more significant effort to create positive changes to dealing with inquiries, formal expenses (fees) and informal expenses because these three factors have improved modestly in the transitional period.

Overall, analyses in Parts 2 and 3 of the Report indicate positive changes brought by the NSW to businesses in general. The application of APs through the NSW helps reduce the time and costs for the preparation of documents, thereby facilitating businesses in the course of completing international trade and transport procedures.

Part 4 *"Implementation of electronic payments on the National Single Window Portal"* assesses the actual use of electronic payment (e-payment) in public administrative procedures and the need of businesses for e-payment. Survey results demonstrated that e-payment needs to be applied promptly in the NSW Portal. In reality, it has become more and more common for enterprises to use e-payment in business transactions (85% of enterprises), yet presently they still use cash quite frequently in administrative transactions with state authorities. Meanwhile, 86,48% of businesses reported that they would certainly be "ready to participate" or "may participate immediately" if the NSW Portal applies e-payment. A majority of businesses selected the year 2020 as a suitable time for implementation of e-payment (with 71.4% of them expressing this opinion). 19.04% of businesses thought the year 2021 would be suitable, and only 9.6% of them selected a time after 2021. The time expected to implement e-payment is quite consistent among groups of enterprises classified by the size of business. The percentage of businesses expecting customs authorities to apply e-payment is 85%, significantly higher than other authorities such as maritime administrations (60%), port operators (54%), or healthcare agencies (52%).

Part 5 *"Recommendations"* suggests the directions for competent authorities to improve the performance of the NSW Portal in particular and the NSW in general.

Regarding the functions available on the NSW Portal, GDVC should promote the application of e-payment, address the difficulties encountered by businesses while using digital signatures, and upgrade the functions which provide answers to questions raised by enterprises related to APs. Value-added services should also be added to the NSW Portal, such as partner search, connected industries, and logistics services to support entities in joining the commodity and service value chain.

As for the technical aspects of the NSW Portal, GDVC should cooperate with Ministries in promoting the development of a centralized information technology system to replace the current dispersed one. The agency operating the Portal should provide technical upgrades and regular maintenance for the NSW Portal to run stably with increased processing speed to solve frequently occurring problems such as not being able to log in, print record/certificate, or upload documents.

Ministries and agencies are suggested to continue implementing solutions that facilitate smooth application of APs on the NSW Portal. Relevant Ministries, especially the Ministry of Agriculture and Rural Development, Ministry of Health, Ministry of Defense, and Ministry of Industry and Trade, should work promptly with GDVC to *complete the plan for APs to be carried out in 2019 and 2020* according to Decision 1254/QĐ-TTg and the Announcement of Committee 1899. Additionally, *promoting administrative reform and reducing business compliance costs* should continue to be considered the focus. Activities to be prioritized include making information transparent, harmonizing the forms, and reviewing the process to reduce time and costs. Ministries and agencies should establish mechanism for sharing data across ministries. Also, the review of the process in which APs are carried out should be conducted regularly in order to simplify the stages within the process and decrease the number of documents to be submitted by enterprises.

01

INTRODUCTION

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CONTEXT

Since 2000, the Government of Vietnam has accelerated the use of information technology (IT) in handling administrative procedures (APs) to serve the public and businesses better, at the same time improving the quality and performance of state agencies. In the field of import-export, the Government has sped up the application of IT in handling APs, and one of the most important changes has been the development and operation of the National Single Window (NSW). The birth of the NSW reflects an inevitable trend of international integration, in which cross border trade is facilitated for businesses and customs connection with other countries and territories is strengthened for state management authorities.

The NSW of Vietnam started operation officially in November 11/2014 following a period of careful preparations of the Government, the Ministry of Finance, and especially the focal agency – General Department of Vietnam Customs (GDVC). As prescribed in the 2014 Customs Law, "National single-window system means permission for customs declarants to send information and electronic documents for following customs formalities and formalities of regulatory bodies related to imported and exported goods through an integrated communication system. Regulatory bodies shall decide goods that are permitted to be imported, exported and transited; customs authorities shall make decisions about granting customs clearance and releasing goods on the integrated communication system."[1] After a period of implementing the NSW through the operation of the NSW Portal, the Prime Minister issued Decision 1254/QĐ-TTg[2] on September 26, 2018 to set out the following objective: "All administrative procedures related to the State management of exports, imports or goods in transit; passengers and means of transport upon exit, entry or in transit will be effected through the National Single Window in the form of level-4 online public services."[3] At the same time, all government bodies related to these procedures must connect to and share state management information through the NSW Portal. Key milestones are shown in Table 1.1 below.

1 Clause 3 Article 4 of the 2014 Customs Law.

2 Decision 1254/QĐ-TTg dated September 26, 2018 of the Prime Minister approving the plan of action on the promotion of National Single Window, ASEAN Single Window, Reform of specialized inspection of imports and exports, and Trade Facilitation for the period of 2018 – 2020.

3 Decree 43/2011/NĐ-CP dated June 13, 2011 of the Government regulating the provision of online information and public services on websites or web portals of state agencies. Under Clause 4 Article 3 of this Decree, level-4 online public service means full provision of information about an administrative procedure and documents related to that procedure in a network environment, allowing users to download forms of documents and make declarations on those forms to complete dossiers as required, and allowing users to make online declarations on forms of documents and send these forms online lo the service provider. Transactions in the processing of dossiers and provision of the service are made in the network environment, allowing users to make online payment of fees (if any). Results may be notified to users online, directly or by post.

TABLE 1.1 Selected key milestones of the Vietnam NSW

Time	Event
December 2005	Signed the Protocol on Establishment and Implementation of the ASEAN Single Window
October 2007	Issued Official letter 1621/TTg-QHQT approving the Agreement and Protocol on Establishment and Implementation of the ASEAN Single Window
September 2008	Issued Decision 1263/QĐ-TTg on Establishing the Steering Committee for the ASEAN Single Window in the 2008-2012 period
October 2009	Issued Decision 2599/QĐ-BCĐASW approving the Master plan for implementing the National Single Window and joining the ASEAN Single Window in the 2008 – 2012 period
August 2011	Issued Decision 48/2011/QĐ-TTg regarding pilot implementation of the National Customs Single Window
November 2011	Issued Decision 2120/QĐ-TTg on establishing the National Steering Committee for the ASEAN Single Window and National Customs Single Window
October 2012	Issued Decree 87/2012/NĐ-CP specifying a number of articles of the Customs Law concerning electronic customs procedures for commercial imports and exports
June 2014	Enacted the Customs Law
November 2014	Officially putting the National Single Window Portal into operation (www.vnsw.gov.vn)
September 2015	Signed the Protocol on the Legal Framework to Implement the AEAN Single Window
October 2016	Issued Decision 1899/QĐ-TTg on the establishment of the National Steering Committee on ASEAN Single Window, National Single Window and Trade Facilitation
September 2018	Issued Decision 1254/QĐ-TTg approving the plan of action on the promotion of National Single Window, ASEAN Single Window, Reform of specialized inspection of imports and exports, and Trade Facilitation for the period of 2018 – 2020
June 2019	Issued Decision 684/QĐ-TTg to amend and supplement Decision 1899/QĐ-TTg dated October 04, 2016 on establishment of the National Steering Committee on ASEAN Single Window, National Single Window and Trade Facilitation.
November 2019	Issued Decree 85/2019/NĐ-CP prescribing the handling of administrative procedures via the National Single Window and ASEAN Single Window and specialized inspection of exports and imports

Since the operation of the NSW, state management agencies have integrated APs into the NSW Portal step by step. As of January 31, 2020, the NSW Portal contained 188 APs of 13 Ministries and agencies. Under the direction of the National Steering Committee on ASEAN Single Window, National Single Window and Trade Facilitation (Committee 1899), Ministries and agencies planned to add the remaining APs to the Portal in the near future.

To improve the performance of the NSW, apart from internal information and assessments of state management authorities such as GDVC, MOF – which is the focal agency of the Single Window, and other relevant Ministries, information and assessments of the business community also play a critical role. Enterprises that have experienced the use of APs on the Portal can provide valuable input to the reform process, thus enhancing the performance of the NSW Portal.

In 2018, the Vietnam Chamber of Commerce and Industry (VCCI) collaborated with GDVC to conduct a survey on business satisfaction with import and export related APs with brief mentioning of the NSW. The results of this survey demonstrated that businesses were aware of the benefits brought about by the NSW Portal, such as shorter time for receipt and handling of documents, better streamlined and simpler procedures, and lesser costs for document preparation. However, there was a significant percentage of respondents reporting they still encountered difficulties while conducting APs on the NSW Portal, with the biggest ones being frequent errors of the system, submission of paper documents in parallel, several requirements of state agencies for unnecessary or overlapped information, limited level of transparency for certain APs, low number of APs being introduced to the NSW Portal, etc.[4] The survey results were used by GDVC and VCCI in various reports serving the National Steering Committee on ASEAN Single Window, National Single Window and Trade Facilitation (Committee 1899), with a recommendation to put in place a mechanism for monitoring the application of APs on the NSW Portal to improve the effectiveness of the NSW.

As suggested by both the GDVC and VCCI, the Office of the Government issued the Announcement 105/TB-VPCP on March 22, 2019 on conclusions of Deputy Prime Minister Vuong Dinh Hue, Chairman of Committee 1899, at the 4th meeting of the Committee. In this Announcement, Deputy Prime Minister Vuong Dinh Hue requested "GDVC and VCCI to develop and set up a mechanism for monitoring Ministries and agencies in their organization and implementation of tasks assigned under Government programs and plans through publicizing annual reports on the measurement of time for carrying out administrative procedures and clearing customs; and to assess business satisfaction with public services provided through the National Single Window."

Guidelines of the Government and requirements arising from the reality were the foundation for GDVC and VCCI to conduct the "Survey on business satisfaction and time needed to carry out administrative procedures through the National Single Window." In this survey, VCCI and GDVC cooperated closely in designing research and developing survey tools, with VCCI taking charge of data collection, data analysis, and report development. GDVC provided necessary documents and organized working sessions to support the survey. The USAID Trade Facilitation Program funded the survey and also participated in developing survey tools.

4 VCCI and GDVC (2018). Report on business satisfaction with administrative procedures for import and export in 2018

OBJECTIVES

The overall objective of the "Survey on business satisfaction and time needed to carry out administrative procedures through the National Single Window" is to promote and enhance the performance of the NSW Portal in receiving and handling APs for businesses. Specific objectives include:

- Learning about the actual situation of APs (public services) being carried out through the NSW by conducting a survey of the business community;
- Collecting feedback from the business community on APs carried out through the NSW Portal, and providing such feedback to the Government (Committee 1899) and Ministries to support their management and guidance with an aim to improve the performance of the NSW;
- Defining measures to promote substantial reforms of import-export related APs of Ministries and agencies on the NSW Portal and ASEAN Single Window in alignment with Vietnam's commitments under international agreements, such as the WTO Trade Facilitation Agreement;
- Contributing to the strengthening of Customs – Business partnership, and to the Customs administration's plans for reform and modernization;
- Trade facilitation of imports and exports.

METHODOLOGY

To prepare for the survey, the research teams of VCCI and GDVC took turns to review relevant documents in order to define the scope and subjects of survey, select APs, choose the form of survey, develop survey tools, and conduct sampling.

Defining the scope of survey

The NSW of Vietnam is a complex system, allowing the interaction of different entities, including:

Procedure handling entities

- Customs: is the authority responsible for customs clearance and release of imported / exported / transitted goods and transport vehicles upon entry, exit, and transit.
- Government authorities performing state management of international trade and tranport activities (specialized management Ministries): are agencies that have the authority to apply APs according to law.
- Conformity assessment organizations (State-owned or private entities): are agencies permitted by the Government to provide conformity assessment services such as verification, certification, recognition, assessment, testing, calibration of goods and services.

Procedure conducting entities

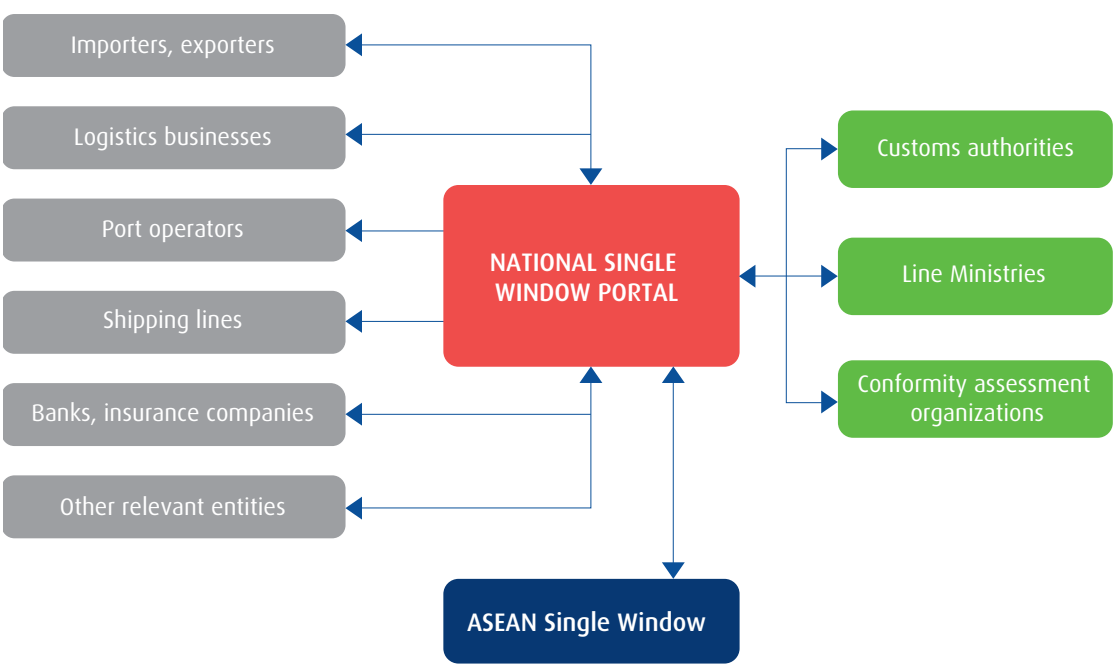
- Businesses operating in the area of import-export
- Financial, banking, insurance institutions
- Logistics businesses (transportation, delivery, shipping lines, port operators)

ASEAN members and global trading partners

Figure 1.1 describes the model of Vietnam's present NSW with interactions among relevant entities. In this model, the NSW Portal is the central infrastructure. The NSW Portal, at https://vnsw.gov.vn, provides an interface for entities to carry out APs on the NSW. The NSW Portal is run by GDVC, acting as an intermediary connecting the administrative procedure handling entities with the administrative procedure conducting entities. Besides the NSW Portal, the NSW may possibly have other infrastructures. In the organizational model of a dispersed NSW, specialized management Ministries or conformity assessment organizations may also have separate technological infrastructures (called "specialized processing system") connected to the NSW Portal to receive, process, and exchange information related to APs. GDVC runs a system of its own for managing customs activities called the Automated Customs Clearance System (VNACCS/VCIS).

In the operational mechanism of the NSW, a business or agency/organization authorized by the business sends information (electronic records, documents) to the NSW Portal. The NSW Portal receives and generates a code to the document, then forwards information to specialized processing systems. Next, the administrative procedure handling agency of the line Ministry processes information and makes a decision as to whether goods are allowed to export, import, transit, or whether transport vehicles are allowed to enter, exit, or transit. The result is sent from the specialized processing system to the NSW Portal. Finally, Customs authority bases itself on such result to decide on customs clearance and informs the business of the outcome via the NSW Portal.

FIGURE 1.1 **Entities participating in the Vietnam NSW**



Because the operational structure and process of the NSW is technically complicated, it is essential to define the scope of the survey to ensure feasibility. Instead of assessing all aspects of the NSW, the survey only focuses on *experiences of businesses with the most important structure – the NSW Portal,* where businesses directly interact with APs. It should be noted that the effectiveness of the NSW can also be evaluated through the review of the linkage between the specialized processing systems of line Ministries and the NSW Portal, or the connection between the NSW Portal and the ASEAN Single Window. However, the subject of this survey is businesses, and it is often challenging for them to have such information and experiences to provide to the research team. This is a disadvantage of the survey, which can be addressed in subsequent researches by conducting additional assessments of the connection from specialized management authorities to the NSW Portal, or from the NSW Portal to the ASEAN Single Window.

GDVC held a meeting on October 17, 2019 to consult relevant Ministries and agencies about the survey methodology, contents and assessment scope, timeline, etc. On the basis of the discussions and inputs from Ministries, GDVC and the USAID Trade Facilitation Program, the research team finalized the survey methodology and plan as well as activities to be undertaken in the survey.

Selecting administrative procedures

At the time of the survey, NSW had 188 administrative procedures of 13 Ministries. As assessed by GDVC, the level of use of these APs by businesses is significantly different. Some of the APs are carried out by several businesses through the NSW, while some others have limited use. In addition, there is still a considerable number of procedures presently in the process of being connected, or having just completed the integration into the NSW.

Through reviewing and discussing with representatives of relevant Ministries and agencies, GDVC and VCCI agreed on the selection of 12 APs most frequently carried out via the NSW as of September 2019 to conduct the business survey (Table 1.2). These APs are under the management of 5 Ministries: Ministry of Industry and Trade (2), Ministry of Transport (2), Ministry of Agriculture and Rural Development (3), Ministry of Science and Technology (1), Ministry of Health (2). The two procedures related to entering and exiting seaports are inter-ministerial procedures. The assessment of these 12 APs may pave the way for the assessment of many other APs in the future with the availability of suitable resources.

TABLE 1.2 List of APs being surveyed

No.	Title of administrative procedure	Line Ministry
1	Issuing preferential C/Os	Ministry of Industry and Trade
2	Issuing licenses to import/export industrial precursor chemicals	Ministry of Industry and Trade
3	Issuing quality, technical safety and environmental protection certificates for imported motor vehicles	Ministry of Transport
4	Issuing quality, technical safety and environmental protection certificates for special-use vehicles	Ministry of Transport
5	Issuing Phytosanitary certificates for plants imported, in transit and domestically transported	Ministry of Agriculture and Rural Development
6	Registration for quality examination and verification of imported animal feed	Ministry of Agriculture and Rural Development
7	Issuing animal health certificates for imported terrestrial animals and animal products	Ministry of Agriculture and Rural Development
8	Quality examination of imported goods	Ministry of Science and Technology
9	Issuing licenses to import medical equipment and appliances	Ministry of Health
10	Issuing receipt numbers for the notification of imported cosmetic products	Ministry of Health
11	For Vietnamese and foreign sea-going ships to enter international seaports	Inter-agency
12	For Vietnamese and foreign sea-going ships to depart from international seaports	Inter-agency

Defining the subjects of survey

To collect the most accurate information about the application of APs through the NSW, the survey focuses on enterprises that have used the 12 selected APs on the NSW Portal in the past one year, specifically from October 31, 2018 to October 31, 2019.

Survey mode

Taking into consideration the cost, time and personnel resources, the research team selected the form of data collection. Based on an agreed survey questionnaire, when businesses were contacted and invited to join the survey, the research team asked businesses' representatives about their preferred way to receive the questionnaire and to send their responses (questionnaire sent by post; electronic questionnaire sent to business email; or businesses filling out the online survey form). The use of these 3 survey modes aimed at facilitating businesses as much as possible during the survey. The research team undertook to keep the identity of respondents confidential no matter what survey mode they used. These survey modes also helped protect the identity of businesses properly and facilitated businesses in the provision of information, especially sensitive information that respondents may be reluctant to provide in a direct interview.

Developing survey tools

In consultation with GDVC and the USAID Trade Facilitation Program, VCCI developed of a set of survey tools, including survey invitation, questionnaire, and leaflet introducing the online survey. In parallel with the paper questionnaire, the research team also prepared a questionnaire in regular MS Word form which was to be combined with the online questionnaire (webform) whose design was supported by the USAID Trade Facilitation Program. Other survey tools included an official letter sent to businesses, survey introduction leaflets, and gift vouchers.

Sampling method

The sampling process started with the access to a master list for research, provided by GDVC. The list contains 23,053 businesses that have carried out the 12 selected APs on the NSW Portal in the last 12 months.

The research team linked the list to some other business datasets to get businesses' identification information, including their addresses, telephone numbers, and emails. Duplicate records were also removed. Next, the list of businesses was divided into groups of APs that they have carried out, and the research team kept 90% of businesses having the highest number of customs declarations in each group so as to have the sampling frame. This sampling frame makes sure that businesses have had practical experiences with the NSW Portal and they can provide valid assessments.

From the sampling frame, the research team conducted simple random sampling to get a list of official survey samples and a provisional list. The target sample size was set at 3,000 enterprises responding to the survey. Because mail survey, email survey, or online survey often has a lower rate of response compared to direct interview, the survey sample size will need to be bigger. Based on experiences drawn from recent surveys, the research team determined the survey sample size to include 12,811 businesses (9,886 businesses on the official list, and 2,925 businesses on the provisional list). Businesses in each group of APs would be chosen randomly until reaching a certain number. The ratio of businesses in each group compared to the sample size would match the ratio of businesses having carried out that AP in the sampling

frame. In short, from the sampling process, the research team drew up a list of 12,811 businesses for the survey with a target of collecting 3,000 responses from this list.

Conducting the survey

Based on the list of samples, a group of coordinators was recruited and trained by VCCI to provide support during the data collection process. The team of coordinators started sending survey tools to businesses included in the survey samples from November 29, 2019. They also liaised with businesses regularly in the next 1,5 months to invite them to the survey. Meanwhile, technicians collated data, checked the responses received every day, and keyed in data from paper-based questionnaires. To ensure quality of the survey, two specialists from VCCI also checked and cleaned raw data.

In the course of the survey, the collaborators successfully contacted 8,158 businesses out of the total 12,811 businesses in the sampling list. Among the contacted businesses, 3,278 informed that they had responded to the survey, including 3,057 responses by post or email, and 221 responses through webform. After examining, removing duplicate questionnaires and cleaning data, the research team kept the 3,085 valid responses. The survey officially reached the target of 3,000 responses after about 1,5 months and ended on January 11, 2020. The response rate was 40,18% (equivalent to 3,278 businesses in the total of 8,158 contacted businesses).

TABLE 1.3 **Statistical data of businesses responded to the survey**

Survey sample size	**12,811**
Official list	9,886
Provisional list	2,925
Contacted sample size	**8,158**
Number of responses	**3,278**
Via mail/email	3,057
Via webform	221
Number of valid responses	**3,085**
Via mail/email	2,909
Via webform	176
Rate of response	**40.18%**

CHARACTERISTICS OF BUSINESSES RESPONDING TO THE SURVEY

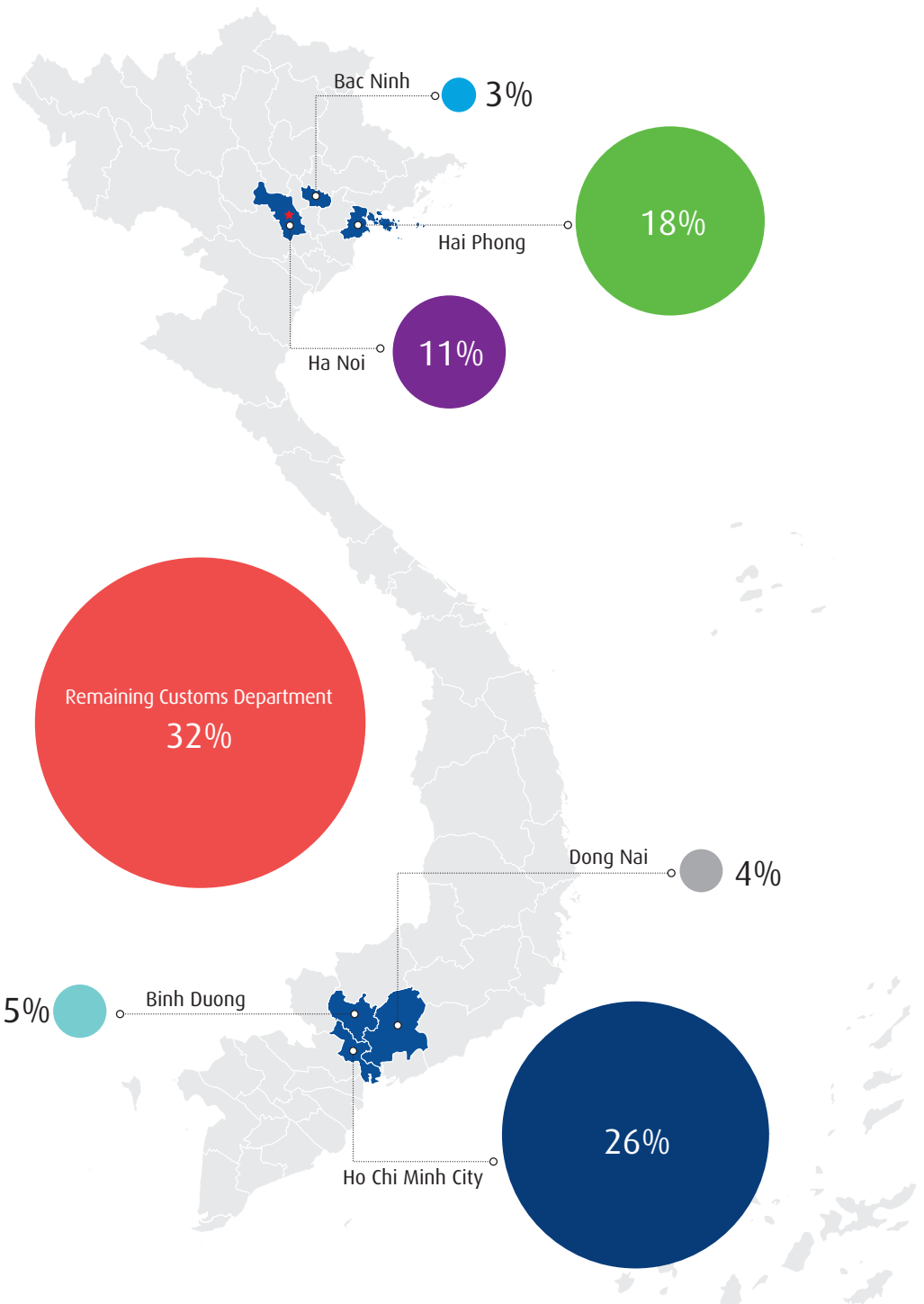
The typical number of years in production business of an enterprise taking part in the survey is 8 years (median value), long enough to have experiences in conducting APs in Vietnam. Specifically, 17% of enterprises have been in business for more than 15 years, and 20% of them have from 10 to under 15 years in operation. The percentage of enterprises have done business for 5 to under 10 years is 25%. Those with their time in operation from 2 to under 5 years account for 29% of businesses answering the survey. Enterprises being established in the last 2 years only make up about 9%.

FIGURE 1.2 Number of years of operation of businesses answering the survey

Unit: Share of firms (%)

Most of enterprises responding to the survey often carry out customs procedures at 6 major Customs departments of Ho Chi Minh City, Ha Noi, Hai Phong, Bac Ninh, Dong Nai and Binh Duong (Figure 1.3). These 6 Customs departments alone have handled procedures for almost two-thirds of businesses joining the survey, with the most procedures being processed in Ho Chi Minh City (26%), Hai Phong (18%) and Ha Noi (11%) respectively. Meanwhile, 29 remaining Customs departments nationwide handled procedure for 32% of enterprises.

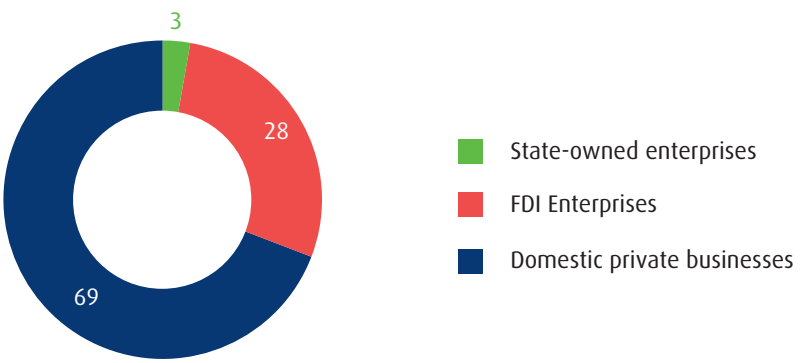
FIGURE 1.3 Customs departments where businesses carry out procedures



Characteristics of businesses responding to the survey corresponded to the actual survey situation when about 69% of responses came from domestic private enterprises, 28% from foreign direct investment businesses (FDI), and only about 3% from state-owned enterprises. Limited liability companies are the most common form of company, followed by joint-stock companies and private enteprises (Figure 1.4).

FIGURE 1.4 Characteristics by economic sector

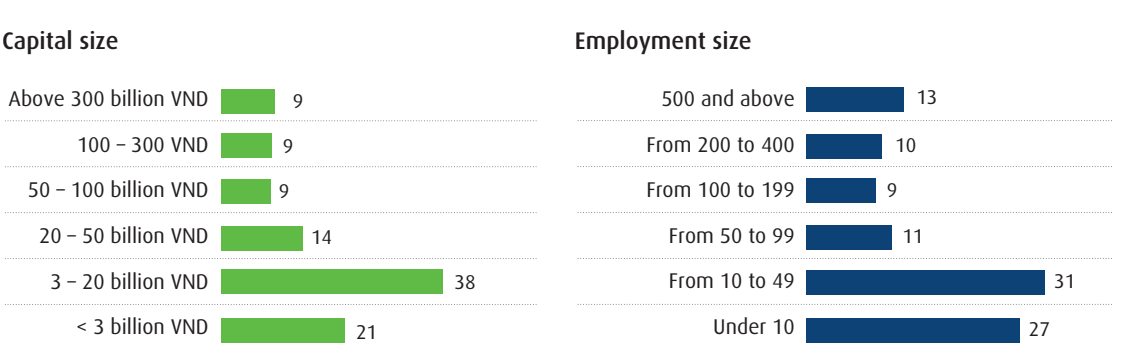
Unit: Share of firms (%)



Small and medium-sized businesses were the main survey respondents. About 60% of businesses have the capital size of less than 20 billion VND, and approximately 60% of enterprises use less than 50 employees. However, large scale businesses, such as those using more than 200 employees or with a capital size of above 100 billion VND, also accounted for a significant percentage. About 22% of enterprises have 200 employees and above, and 18% have capital of more than 100 billion VND.

FIGURE 1.5 Characteristics by business size

Unit: Share of firms (%)

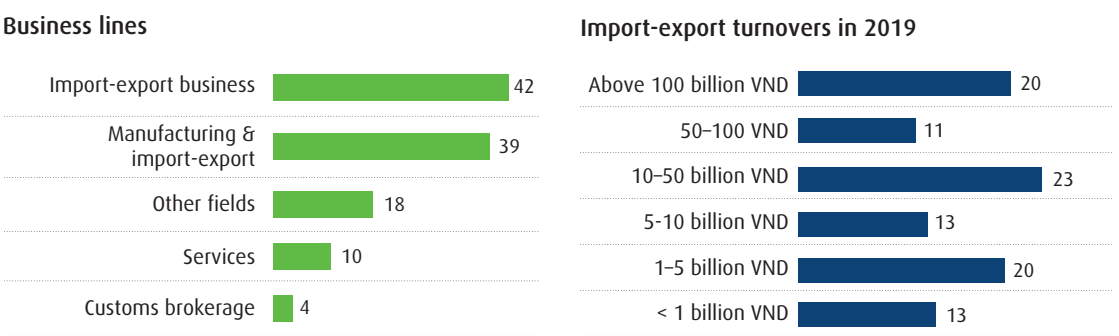


As reflected in the survey results, more than 80% of enterprises joining the survey are engaged in import-export business activities (42% doing import-export business, and 39% engaging in manufacturing and import-export activities). A smaller percentage of enterprises provide support services (10%) or are customs brokers (4%).

Among businesses engaging in import-export activities, the number of those having import-export turnover of 100 billion VND or more makes up about 20%, and most of them are possibly businesses with a large capital. The most common range of import-export turnover falls between 10-50 billion VND (accounting for 23%). Meanwhile, about 46% of businesses reported their import-export turnover in 2019 at unde r 10 billion VND.

FIGURE 1.6 **Business lines and import-export turnover of businesses**

Unit: Share of firms (%)

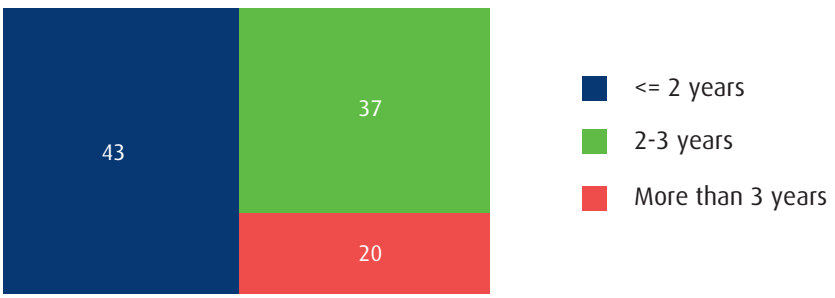


Note: An enterprise may have more than one business line at the same time

A remarkable characteristic of businesses responding to the survey is the number of years of experience in carrying out APs on the NSW Portal (Figure 1.7). About 20% of businesses reported that they started using the NSW Portal in 2016 or before this year (in other words, they had more than 3 years of experience in using the NSW as of December 2019). 37% of business started conducting APs through the NSW in 2017. The remaining 43% of businesses have just only used the NSW in the last two years, since 2018. This demonstrates that a majority of survey respondents already had sufficient experiences with services provided on the Portal, and they could therefore provide reliable responses.

FIGURE 1.7 Number of years of using the NSW Portal

Unit: Share of firms (%)



About two-thirds of enterprises responding to the survey also carried out APs on the NSW Portal by themselves. The remaining one third gave authority to customs brokers or other organizations/individuals to do so (Figure 1.8). For that reason, assessments in the survey were generally formed from the direct experiences of businesses. In the case of outsourcing services, assessments were indirect basing on feedback from the agents. Granting authorization to other entities to carry out APs through the NSW Portal seemed more common for FDI businesses (approximately 44%). For domestic private enterprises, 68% of them carried out procedures by themselves (Figure 1.9)

FIGURE 1.8 Ways to carry out APs on the NSW Portal

Unit: Share of firms (%)

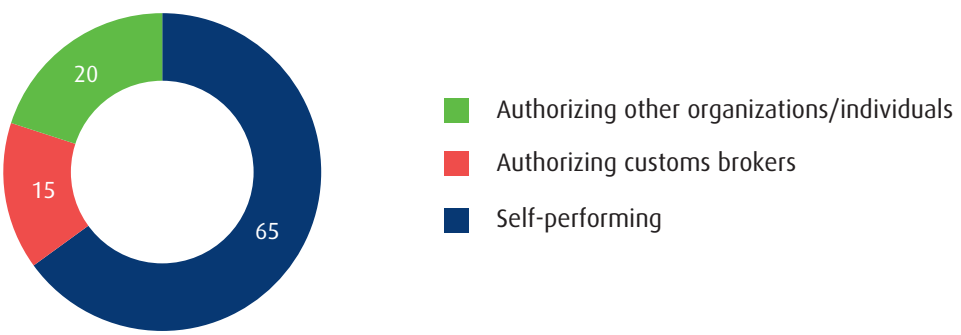
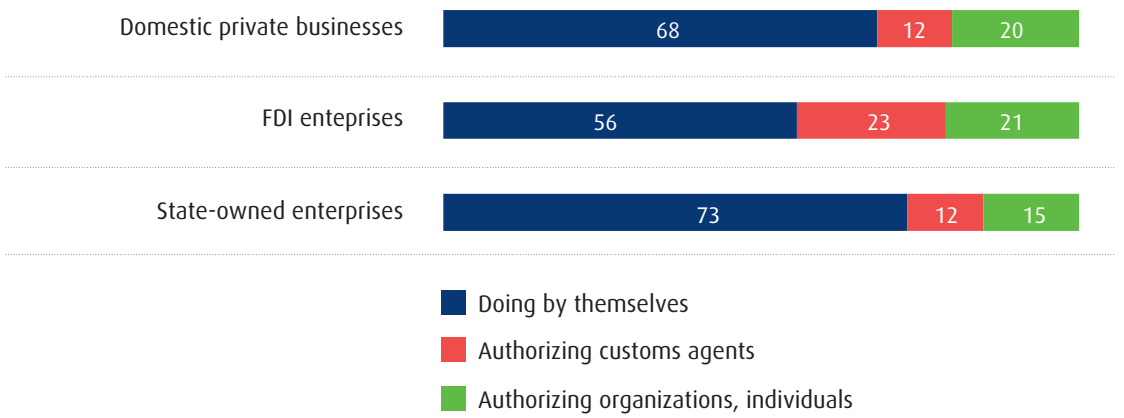
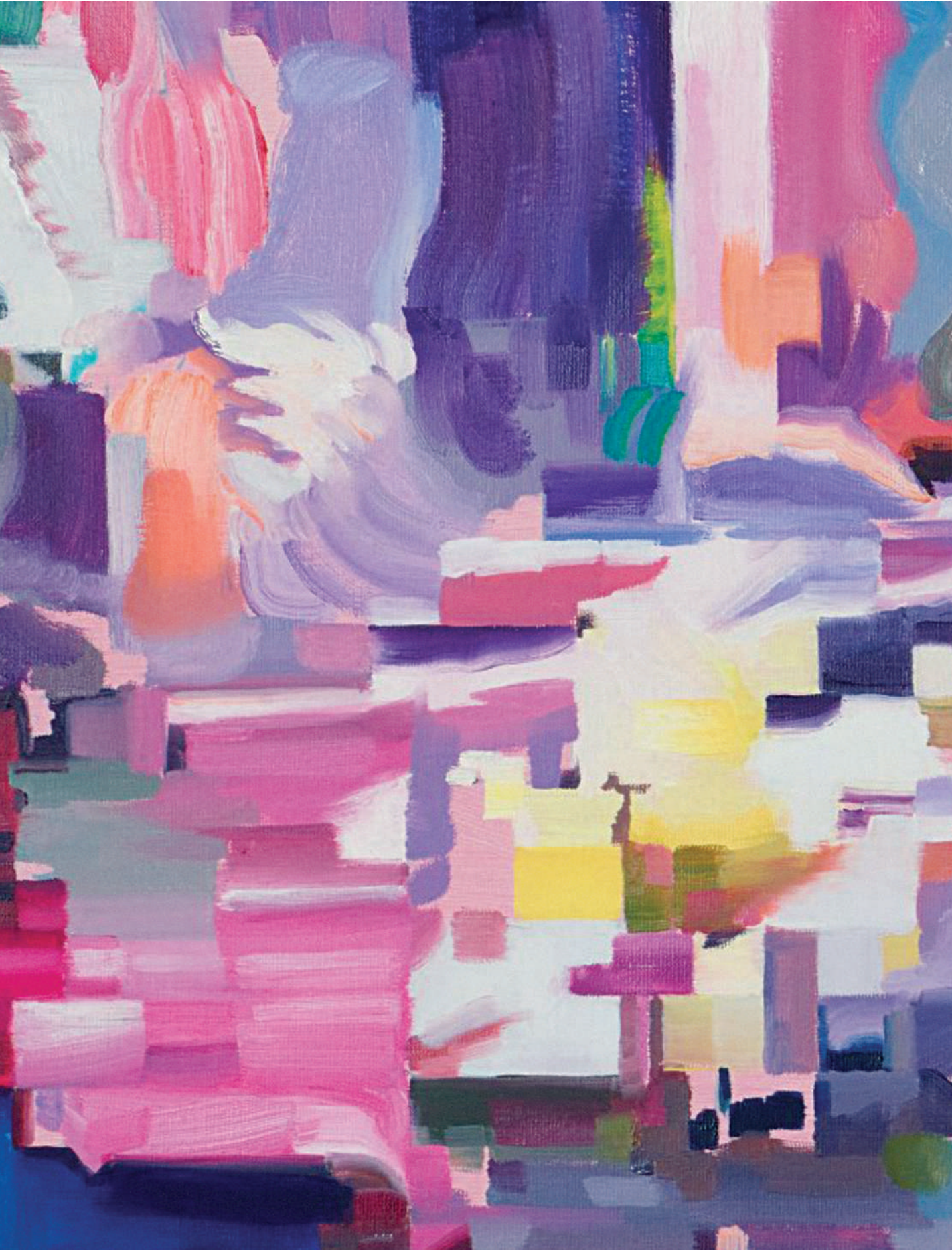


FIGURE 1.9 Ways to carry out APs on the NSW Portal by the form of business

Unit: Share of firms (%)



The following parts of this Report will present key findings of the "Survey on Business Satisfaction and Time needed to carry out administrative procedures through the National Single Window."



02

FUNCTIONS AND OPERATION OF NATIONAL SINGLE WINDOW PORTAL

Functions of National Single Window Portal 37

Assessment of several technical features of the National Single Window Portal 42

Web-based portals, in general, are developed with a notion to enable users to access one single platform and make use of the necessary services already integrated thereinto. The NSW Portal is also developed in a way to allow users to access the Portal and, by using the available functions thereon, to implement APs. What functions are available on the Portal and how they operate will directly affect the users' experience with the services on the NSW Portal.

This Part of the Report explores five key functions groupings currently offered by NSW Portal, namely (i) create an account and log in; (ii) manage records; (iii) view and print records; (iv) vie and print licenses/certificates; and (v) other functions and utilities. The operational quality of these functions is assessed not only by how businesses are satisfied with the system, but also by how they experience with the technical features of the Portal.

FUNCTIONS OF NATIONAL SINGLE WINDOW PORTAL

Since November 2014, businesses have been able to access the NSW Portal at https://vNSW.gov.vn/ in order to implement the APs already integrated into the NSW. Over the time of operation, many of the business support functions of the NSW Portal have been gradually improved. Table 2.1 illustrates what functions that the Portal is offering at the moment.

TABLE 2.1 Functions of the National Single Window Portal

No.	Functions	Descriptions
1	Create an account and log-in	
	Sign up	Open a new account to conduct procedures on the NSW Portal
	Sign in	Enable businesses to log in their accounts using tax codes and a password
	Use e-signatures	Allow businesses to use digital signature in electronic correspondences
2	Manage records	
	View record status	View the status of record processing at the time of visit
	History	Check the history of changes occurred within a record, related events such as adding, editing, deleting or sending a record.
	Search	Search for a record with a set of pre-defined input criteria
	Manifest	Businesses can submit a manifest, which is often done by uploading manifest in a file or directly filling in a declaration form available on the Portal interface.
	Send/receive	Businesses can send documents/records to the specialized handling system of ministries and receive results thereof
	Edit	Edit declarations or add new documents as so requested by ministries
	Remove (delete)	Allow businesses to notify the termination of procedures
3	View and print records	Allow users to view declaration details, and to export files for printing
4	View and print licenses/certificates	Allow users to view licenses and certificates issued by management agencies, and to export files for printing
5	Other utilities	
	Download files	Download manifest files and relevant record components
	Search	Look up information, articles, documents
	Q&A	Allow users to view most frequently asked questions or directly contact the Q&A division

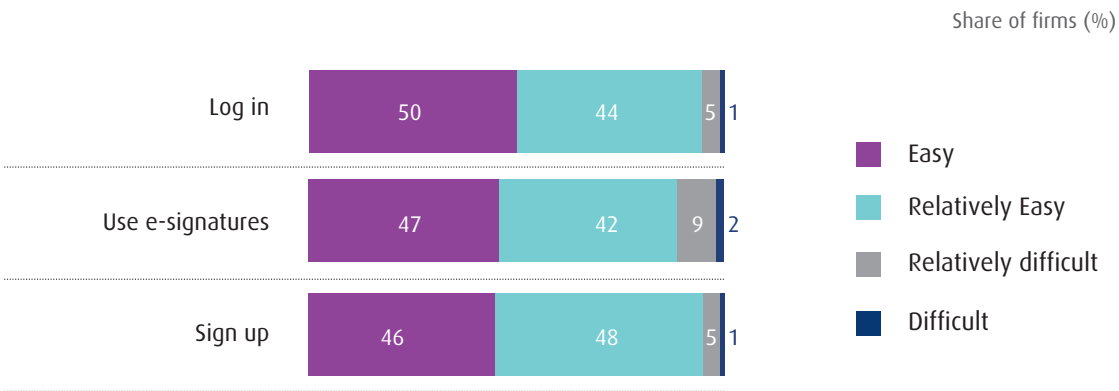
Create an account and log in

Enterprises conducting procedures on the Portal each has an account for that purpose, and to send and store information and documents. According to the Ministry of Health, by the end of January 31, 2020, there are over 2.8 million records of around 35,000 enterprises on the NSW Portal. The Portal also offers an online handbook to guide businesses through each step to sign up, create a new account and use services on the Portal[5].

In general, the respondent businesses find it easy to sign up and sign in the NSW Portal. About 93% of the businesses rated this function as "easy" or "relatively easy". Businesses have similar comments (94%) on login function. About 11% have difficulty using electronic signatures.

The Survey has noted the problems concerning the registration and extension of digital signature, which are not easy for a few businesses. In order to use a digital signature, an enterprise must set up a compatible version of Java and appropriate browsers. “Java errors,” so-called by many respondent enterprises, sometimes occur. As reported by enterprises, the NSW Portal is very “picky” with browsers and easy to have errors for being incompatible with numerous popular browsers. Sometimes, it is impossible to use digital signatures, and such signatures are not transmitted as quickly as expected. Businesses also reported another problem that happens when they want to use a third party (an authorized enterprise) to conduct procedures on the NSW Portal, however, the Portal does not allow third-parties to use digital signatures for and on behalf of the enterprise. Since each procedure requires a digital signature, this problem would prolong the waiting time for enterprises especially when procedures become abundant.

FIGURE 2.1 **Level of ease to implement function “create an account and log in”**



5 GDVC. Handbook on the National Single Window. Accessible at: <https://www.customs.gov.vn/Lists/TinHoatDong/ViewDetails.aspx?ID=22256&Category=Th%C3%B4ng%20b%C3%A1o%20quan%20tr%E1%BB%8Dng>

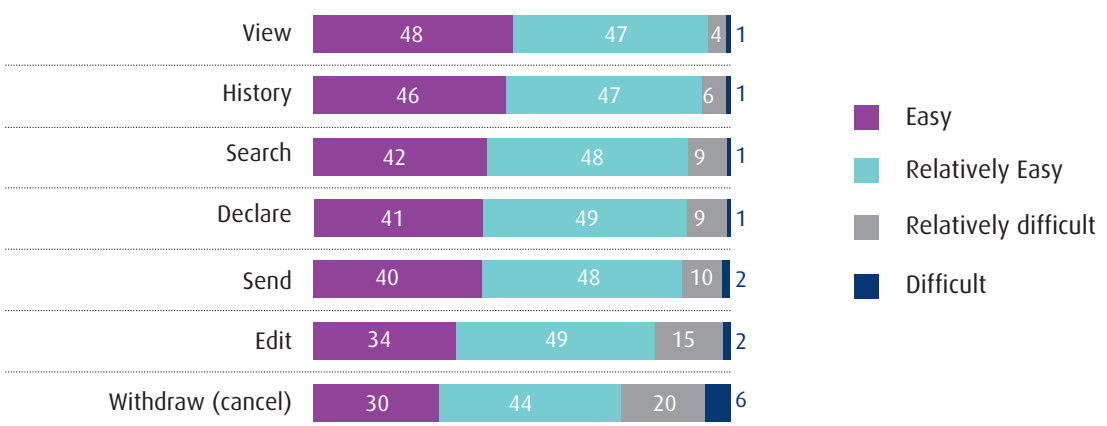
Manage records

It is relatively convenient for businesses to manage their records with very basic operations, namely View (record status), History, Search or Declare. Regarding these operations, about 90% of the respondents find it easy to implement the task, and only a few enterprises still encountering difficulties (Figure 2.2). Difficulties relate to the operations of sending records (12%), editing records (17%) and withdrawing/deleting records (26%).

Among the business comments, there are some problems with the function *manage records*. First, many users do not know in detail why they are asked to edit/revise records and how to do it. Thus, some businesses have to edit their records times and times again. Second, information about the record status is not disclosed in detail, there is no information about the expected date of completion, or about who is the officer in charge. This has undermined the function *manage records*. Third, it still takes businesses quite a long time to withdraw/delete their records. Fourth, businesses reported, function *manage records* is not fully "automated". In many cases, businesses have to either submit paper documents or go and meet with the State agency directly to explain the problems in their records/documents.

FIGURE 2.2 Level of ease to implement function "manage records"

Share of firms (%)



View and print records

93% of the enterprises conducting procedures on the NSW Portal have quite good experiences with this function. This function also sees the highest percentage of enterprises that perceive its implementation as easy/relatively easy (Figure 2.3).

View and print licenses/certificates

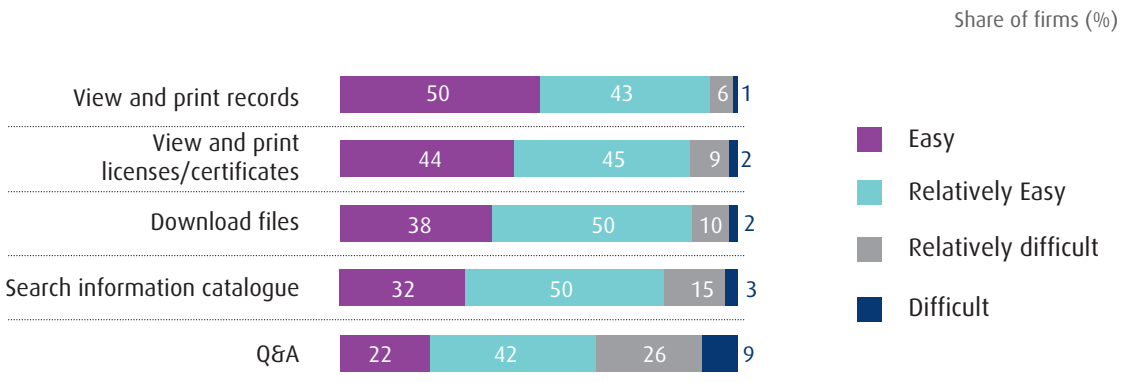
Function *print and view licenses/certificates* also provides businesses with a positive experience with 89% of the respondents sharing their satisfaction with it. Meanwhile, 11% still see certain problems that need to be addressed. For example, it is not always possible to print licenses, and errors can occur from time to time while conducting procedure *issuing licenses to import/export industrial precursor chemicals or chemical declaration* (Figure 2.3).

Other functions and utilities

The survey also explored other 3 support functions of the NSW Portal including: help (dealing with problems with using the system), search information catalogue, and download files from the system. Enterprises having difficulties with these functions make up 35%, 18% and 12% respectively (Figure 2.3).

More than one-third of the businesses do not appreciate the help function of the NSW Portal. In fact, as informed by GDVC there is a division in charge of handling all inquiries about APs, which, in 2018 alone, processed and dealt with nearly 37,000 questions about the NSW Portal, 90% of them are about the implementation process[6]. Despite this fact, it seems that the support division has not been able to handle all the problems of businesses. It is a big challenge when the number of businesses is still increasing and the IT infrastructure of ministries remains fragmented, the coordination between line ministries and GDVC remains unclear regarding the online support mechanism for businesses. This has led to an overload of the online support division at GDVC.

FIGURE 2.3 Level of ease to implement the other remaining functional groups



6 Ministry of Finance. (2019). Narratives on the overall project on the building and development of a central IT system in support of the implementation of the national single window and ASEAN Single Window.

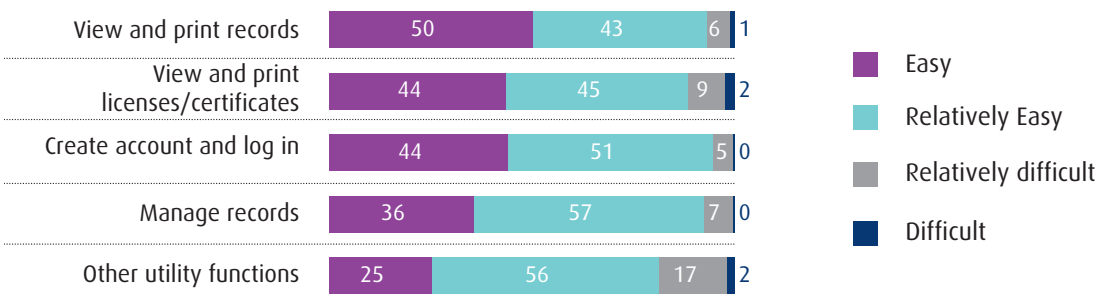
General assessments

In general, business assessments reveal that the NSW Portal is offering relatively good functions to a majority of businesses (Figure 2.4). The key functional groups such as *create an account and log in, view and print records, manage records, view and print licenses/certificates* are easy to implement with a great majority of the businesses (approximately 90% or more) that have experienced with these functions rating them as easy/relatively easy to implement.

However, there are still limitations with the add-on functional groups, improving which is a big challenge as it would involve with the human factor. Businesses' feedbacks indicate the importance of further investments to improve the help function. The lack of readiness of the online help system should be addressed as soon as possible in order to provide a better experience with the NSW Portal services to businesses.

FIGURE 2.4 **Comparison of the general level of ease among functional groups**

Share of firms (%)



ASSESSMENT OF SEVERAL TECHNICAL FEATURES OF THE NSW PORTAL

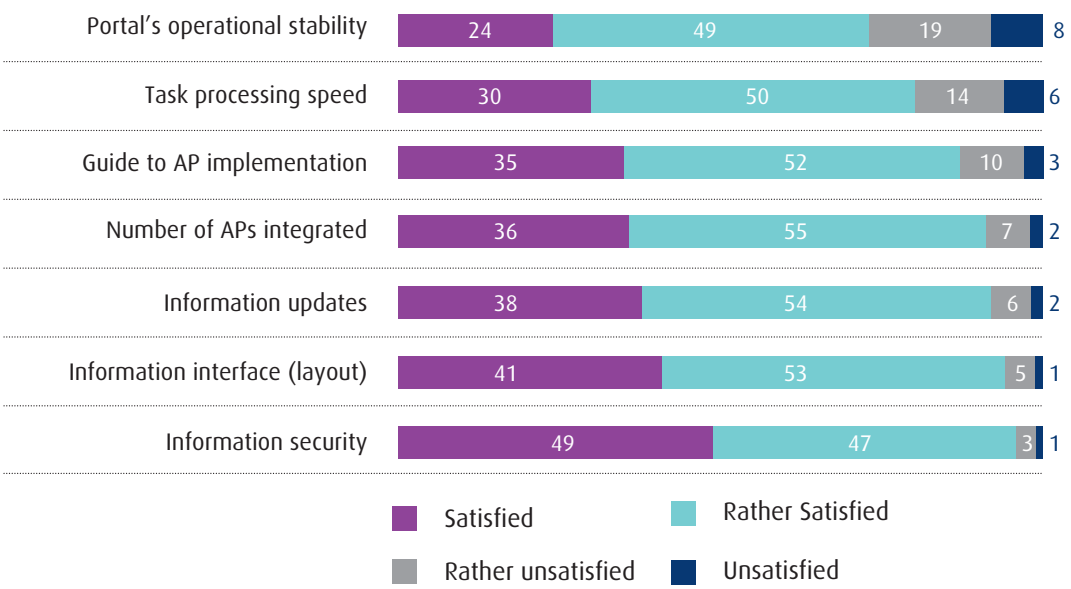
While the NSW Portal's functions are quite easy to imagine for service users, the underlying technical factors of the Portal are more difficult. Within the Survey's scope, businesses are asked how they satisfy with 7 technical aspects, namely:

1. *Information interface (layout):* Are the contents on the NSW Portal arranged and presented in a way that is convenient for businesses to search for information and use the Portal's functions?
2. *NSW's operational stability:* Do businesses encounter with access or any operational errors with the NSW Portal?
3. *Task processing speed:* Does it often take businesses long to wait for the NSW Portal to process a specific task or operation?
4. *Information security:* Is the information about enterprises' record processing results or other important private data well protected from leakage?
5. *Guide to administrative procedure implementation:* Are the materials or articles guiding the implementation of APs on the NSW Portal as helpful as expected?
6. *Number of APs already integrated:* Does the number of APs integrated by ministries into the NSW Portal meet the businesses' needs?
7. *Frequency of updates on legal documents and policies:* Are the contents of new policies posted on the Portal for enterprises to access?

Basically, businesses are quite satisfied with the technical factors mentioned above (Figure 2.5). Accordingly, information security is the technical feature with the most positive comments from businesses (96% of satisfied and rather satisfied businesses). Other technical features with good ratings include frequency of updates on legal documents, policies (92%), information interface (layout) (94%), and number of APs integrated into the NSW Portal (91%). Although the Survey results indicate a positive sign, it should be noted that the Survey is only for the businesses that have implemented the 12 APs on the NSW Portal as introduced in Part 1. Therefore, its findings may not reflect the perception of other trading businesses. A number of larger surveys conducted earlier by VCCI in coordination with GDVC reveal that trading businesses always expect an expansion of the APs integrated into the Portal.

FIGURE 2.5 Satisfaction level concerning selected technical specifications of the Portal

Share of firms (%)

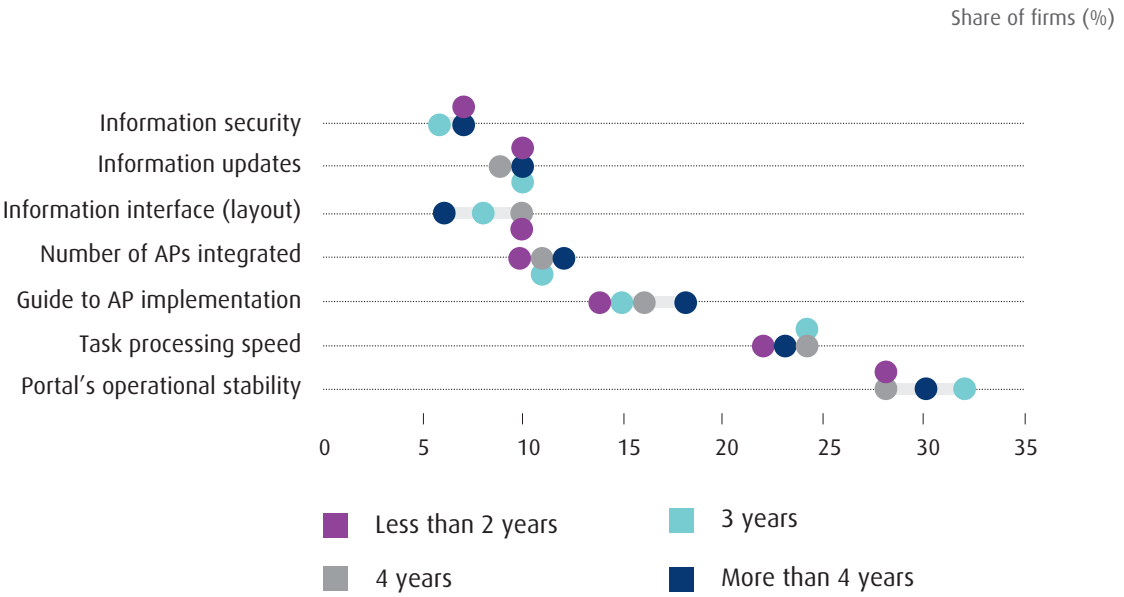


Evaluations also show that despite the positive comments from the businesses, the room for further improvements of the Portal's technical features remains large. Accordingly, it is possible to focus on three least satisfactory features, namely NSW Portal operational stability, task processing speed and guide to the implementation of APs, with which dissatisfied enterprises make up 27%, 20% and 13%, respectively.

According to feedbacks from some businesses, sometimes the NSW Portal operations are poor and unstable (particularly before or after the Lunar New Year holidays), accessibility is either impossible or very time-consuming for unknown reasons. The unhappy respondents also complained about low speed of task processing and that frequent occurrence of errors usually result in multiple attempts before completion.

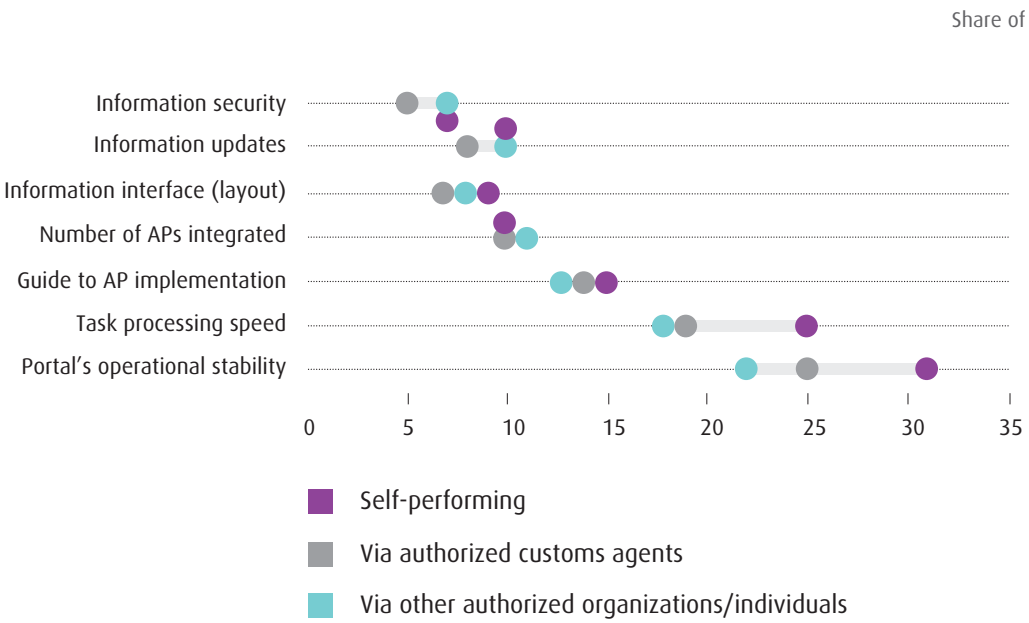
The results also indicate insignificant differences in the perception of the technical features among businesses with different years of experience with the NSW Portal (Figure 2.6). In other words, the number of years' using the Portal has no significant relevance to the level of satisfaction with the assessed technical factors. This may indicate that experience with the NSW Portal of businesses (regardless of whether they are new or old users) is quite consistent. The Portal's biggest problems involve instability or slow speed of task processing as perceived by the businesses that have used the NSW Portal multiple times.

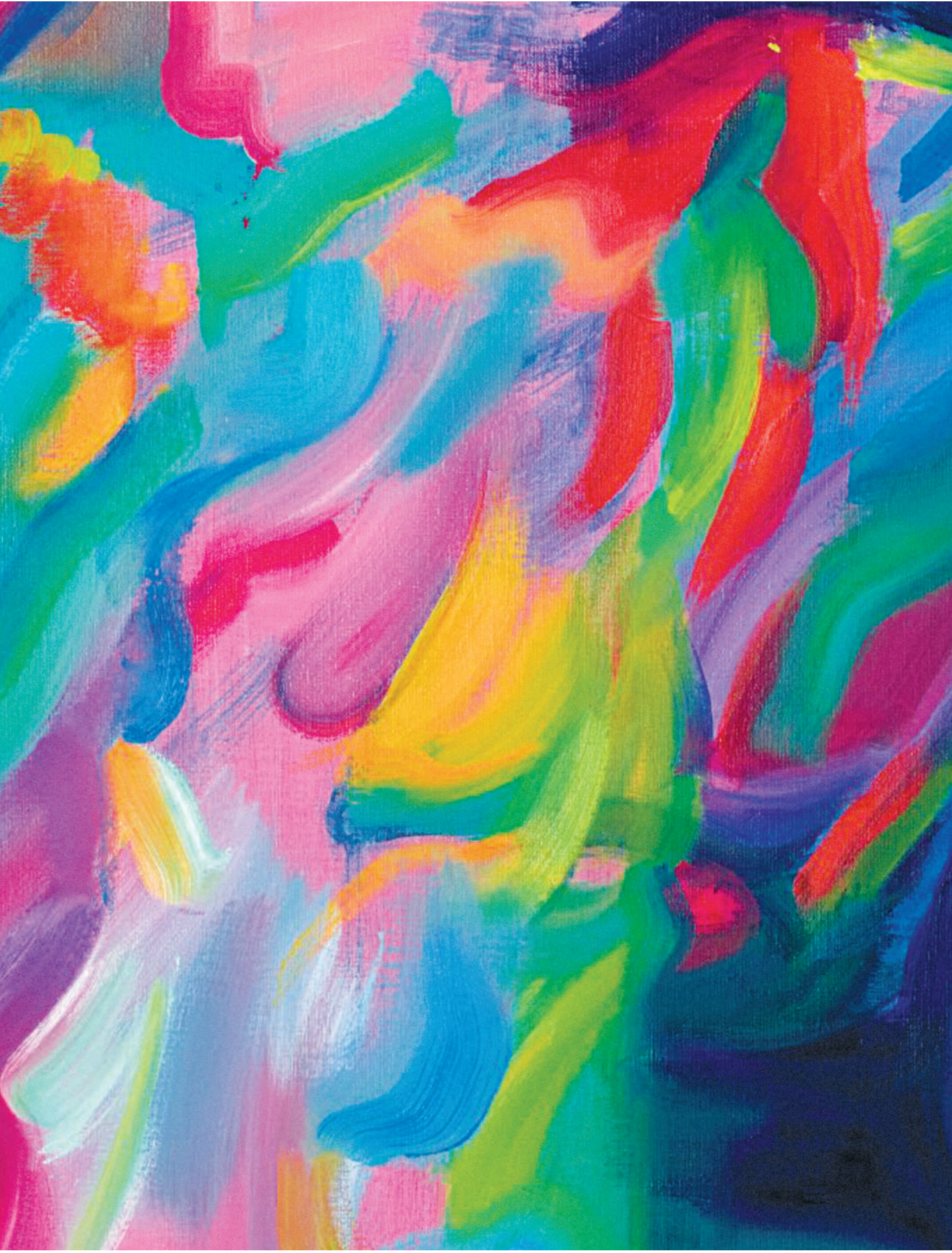
FIGURE 2.6 **Percentage of businesses dissatisfying with selected technical specifications of the NSW Portal, classified by years of experience using the Portal**



However, in terms of task processing speed and operational stability of the NSW Portal, an analysis of businesses' assessments by their implementation mode shows that the self-performing enterprises are less satisfied, to a significant extent, than those conducting APs through authorized customs agents or other authorized organizations or individuals (Figure 2.7). 25% and 31% of the self-performing enterprises are not happy with these two technical specifications, respectively, higher than corresponding percentages of the enterprises performing via authorizes customs agents (19% and 25%), and other authorized organizations and individuals (18% and 22%). Given the fact that two-thirds of the respondent businesses are directly conducting procedures and the number of businesses to implement procedures on the NSW Portal will increase, it is essential to have solutions as soon as possible to upgrade the system, improve its stability and speed up the task processing of the Portal.

FIGURE 2.7 **Percentage of enterprises dissatisfy with several technical features, classified by mode of implementation of APs on the NSW Portal**





03

IMPLEMENTATION OF ADMINISTRATIVE PROCEDURES ON THE NSW PORTAL

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Level of ease in the implementation of administrative procedures on the National Single Window Portal 51

Changes as a result of implementation of administrative procedures via the National Single Window Portal 55

Part 3 of this Report considers the quality aspect of how APs are processed by ministries/agencies. This Part will first review the implementation of APs on NSW as of January 2020. Next, it will look at the levels of ease/difficulty of enterprises when conducting 12 selected APs. Finally, this Part will assess the specific changes in the business compliance costs (number of working days, costs in cash and by resources) by quantifying the benefits from the NSW compared to the traditional method of submission of hard-copies.

STATUS OF IMPLEMENTATION OF ADMINISTRATIVE PROCEDURES THROUGH THE NATIONAL SINGLE WINDOW

Up to 31 January 2020, 188 APs have been integrated into the NSW Portal, that fall within the management domain of 13 ministries and agencies[7]. The figure below illustrates the progress of integration of APs into the NSW Portal by various ministries and agencies as instructed by Committee 1899 in accordance with the target set out in Decision 1254/QĐ-TTg.

It is noticeable that the integration of APs into the NSW has been progressing in accordance with the targets set by the Government. However, this significantly varies across ministries and agencies. The Ministry of Transport, the Ministry of Health and the Ministry of Agriculture and Rural Development are the three line ministries with the biggest number of APs that need to be integrated into the NSW Portal under Decision 1254/QD-TTg. Three ministries have completed the integration process early, including the Ministry of Transport (72/72), the Ministry of Science and Technology (June 6), and the Ministry of Information and Communications (5/5). VCCI has completed its 2019 plan under Decision 1254/QD-TTg and is integrating one last procedure as set out in its 2020 plan[8] (Figure 3.1).

Some ministries need to accelerate the integration of APs into the NSW Portal. These ministries include the Ministry of Health (14 procedures left, only 66.7% of the target has been completed), the Ministry of Agriculture and Rural Development (there are 16 procedures left, only 51.5% has been completed) and the Ministry of Defense (with 12 procedures left and only 45.5% of the target is fulfilled). According to the review and assessment results of the Ministry of Health shared with Committee 1899 in its 6th meeting, it is crucial for the ministries to complete the integration of the rest procedures into the NSW in the First quarter of 2020.

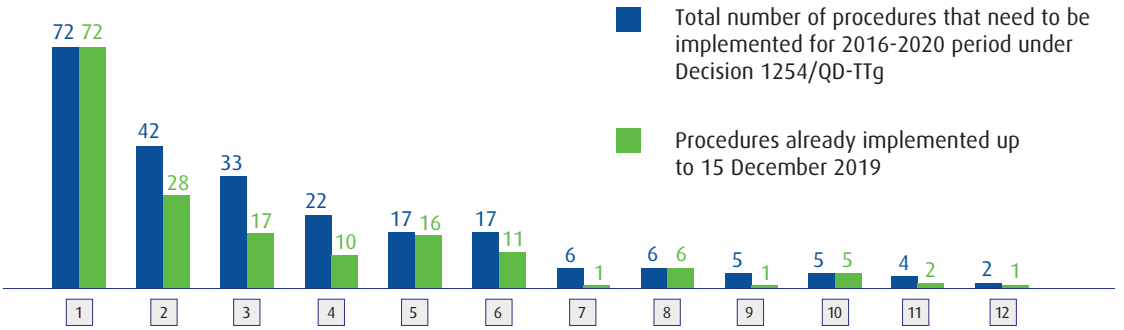
For further details of the implementation of APs on the NSW for 2016 - 2020 by various line ministries, please refer to Annex 1 to this Report.

7 Office of the Government, Notice no. 94/TB-VPCP on March 13, 2020 on the conclusions of Deputy Prime Minister Vương Đình Huệ in the 6th meeting of the National Steering Committee on the ASEAN Single Window, National Single Window and trade facilitation.

8 Under its plan for 2019, VCCI has integrated procedure "issuing C/O form B" into NSW. In 2020, the procedure "issuing C/O for nonpreferential goods" will be integrated into the NSW Portal.

FIGURE 3.1 Progress of integration of APs into the NSW by ministries/agencies

Share of firms (%)



1 The Ministry of Transport
2 The Ministry of Health
3 The Ministry of Agriculture and Rural development
4 The Ministry of Defence
5 The Ministry of Natural Resources and Environment
6 The Ministry of Trade
7 The Ministry of Culture, Sports and Tourism
8 The Ministry of Science and Technology
9 The State Bank of Vietnam
10 The Ministry of Information and Communication
11 The Ministry of Public Security
12 VCCI

Source: The Ministry of Health, 2019 Workplan Report and Directions for 2020 on the implementation of NSW, ASEAN Single Window, reform of the specialized inspection and trade facilitation.

LEVEL OF EASE IN THE IMPLEMENTATION OF ADMINISTRATIVE PROCEDURES ON THE NSW PORTAL

As already introduced in Part 1, this survey only focuses on 12 APs on the NSW Portal with the highest frequency of businesses. Among them, 3 APs belong to the Ministry of Agriculture and Rural Development. The Ministry of Industry and Trade, the Ministry of Transport, and the Ministry of Health have 2 APs each; and the Ministry of Science and Technology has one procedure included in the survey area. The remaining two procedures are inter-agency. Figure 3.2 shows the survey results on the number of enterprises conducting the procedures, the number of enterprises implementing APs in a year (median) and the rate of difficulty by each administrative procedure of the ministries.

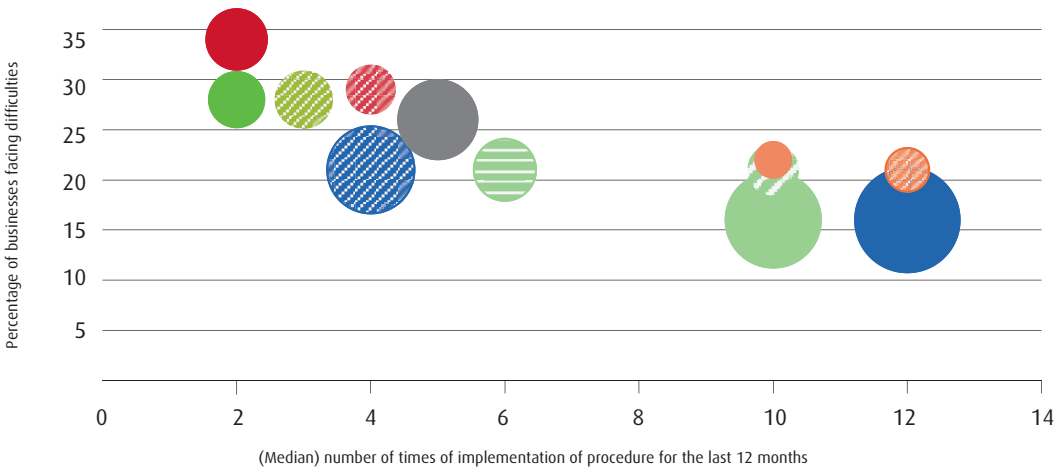
It is noticeable that several APs are carried out by a large number of enterprises on the NSW Portal. These APs include "issuing preferential C/O" (handled by 575 businesses), "phytosanitary certificates for plants imported, in-transit and domestically transported" (479 enterprises), "issuing licenses to import/export industrial precursor chemicals" (405 enterprises), and "quality examination of imported goods" (334 enterprises). Fewer businesses chose the remaining APs, with the quantities ranging between 100 and 200 enterprises. The AP that is implemented by the smallest number of enterprises is the procedure for the Vietnamese and foreign sea-going ships to depart from international seaports. However, such number of 72 respondent enterprises that have experienced this procedure is sufficiently reliable for subsequent analyzes and assessments.

Figure 3.2 shows the (median) number of times the APs are performed during a year. The most frequently used procedures by businesses for the previous 12 months include procedures "issuance of preferential C/Os" and for Vietnamese and foreign sea-going ships to enter international seaports (12 times). Next come the procedure "issuing phytosanitary certificates for plants imported, in-transit and domestically transported," procedure "registration for quality examination and verification of imported animal feed," and procedure for Vietnamese and foreign sea-going ships leaving the international seaport (10 times). For the rest 7 APs, they are not implemented for more than 6 times on NSW during 12 months with procedures "issuing licenses to import medical equipment" and "issuing quality, technical safety and environmental protection certificates for imported motor vehicles being used least" (twice).

The figure below illustrates the percentage of businesses facing difficulties in conducting the APs already integrated into the NSW Portal. Percentages vary across procedures ranging between 16% and 34%. There seems to be a concentration on the APs as classified by the group of ministries.

FIGURE 3.2 Implementation of APs via the NSW Portal

Correlation between the percentage of businesses having difficulties while implementing the APs and the number of times they conducted the procedures and the number of enterprises conducting the procedures



The horizontal axis represents the median number of times an enterprise conducted the procedures in the last 12 months most preceding to the survey time; the vertical axis shows the percentage of enterprises having difficulties with APs; and the size of circles is proportional to the number of enterprises that have performed the procedure (the circle has a larger area when there are more enterprises carrying out the procedure).

Color code	Procedure	1	2	3	4
	Issuing certificate of origin (C/O)	Ministry of Industry and Trade	575	12	16
	Issuing licenses to import/export industrial precursor chemicals		405	4	21
	Issuing quality, technical safety and environmental protection certificates for imported motor vehicles	Ministry of Transport	166	2	28
	Issuing quality, technical safety and environmental protection certificates for special-use vehicles		175	3	28
	Issuing Phytosanitary certificates for plants imported, in transit and domestically transported	Ministry of Agriculture and Rural Development	479	10	16
	Registration for quality examination and verification of imported animal feed		137	10	21
	Issuing animal health certificates for imported terrestrial animals and animal products		209	6	21

Color code	Procedure	①	②	③	④
	Quality examination of imported goods	Ministry of Science & Technology	334	5	26
	Issuing licenses to import medical equipment and appliances	Ministry of Health	198	2	34
	Issuing receipt numbers for the notification of imported cosmetic products		129	4	29
	For Vietnamese and foreign sea-going ships to enter international seaports	Inter-agency	106	12	21
	For Vietnamese and foreign sea-going ships to depart from international seaports		72	10	22

① Line ministry
② Number of businesses already implemented
③ (median) # of times for the last 12 months
④ Percentage of businesses facing difficulty (%)

As can be seen from the Figure 3.2, enterprises participating in the survey reflects that they find procedures of the Ministry of Health most difficult to carry out compared to APs provided by other line ministries. Despite a medium number of businesses that conducted procedure "Issuing licenses to import medical equipment and appliances" as compared to other procedures and each of those enterprises only implements this procedure about twice a year on average; however, up to one-third of the enterprises reported on their difficulties with the procedure placing it on the top of the 12 surveyed procedures. Similarly, about 29% of the respondents are not positive about the procedure "issuing receipt numbers for the notification of imported cosmetic products." The two procedures of the Ministry of Health are followed by the two procedures of the Ministry of Transport with 28% of the respondents viewing the procedures as too challenging to them. They are procedures "Issuing quality, technical safety and environmental protection certificates for imported motor vehicles" and "Issuing quality, technical safety and environmental protection certificates for special-use vehicles." A relevant percentage for procedure "Quality examination of imported goods" of the Ministry of Science and Technology is 26%.

The rest 7 APs see lower percentages of businesses facing difficulties. They include procedure "issuing licenses to import/export industrial precursor chemicals" (21%), procedure "registration for quality examination and verification of imported animal feed" (21%), procedure "issuing Animal health certificates for imported terrestrial animals and animal products" (21%), procedure for departing sea-going ships (22%), procedure for entering sea-going ships (21%), issuing phytosanitary certificates for plants imported, in transit and domestically transported (16%) and issuing preferential C/Os (16%).

Specific difficulties while implementing APs via the NSW Portal

What are the difficulties do business have to specifically encounter? A consolidation of feedbacks from businesses shows the following problems that businesses have to encounter most when implementing the above-mentioned APs:

> The System is not fully "electronic":

Lack of centralization is seen as a weakness of the current Vietnam's NSW system. For example, some businesses implementing procedure "issuing receipt numbers for the notification of imported cosmetic products" (of the Ministry of Health) and "Issuing quality, technical safety and environmental protection certificates for special-use vehicles" (Ministry of Transport) complained that they still have to bring paper documents and records to the offices of ministries and agencies. That means the procedures are concurrently handled on the NSW Portal and at the line ministry. Some businesses even reported they had to arrange two separate persons: one is in charge of the procedures on the Portal and one goes to the line ministry to follow up with the officer in charge of handling procedures.

> The status of record processing is not clearly notified:

In general, it is commonly expected by businesses that their mistakes should be specified clearer and in detail by ministries and agencies. This can be done by stating in full all the problems leading to an application being disqualified and solutions thereto. With regard to most of the surveyed procedures, there are several enterprises expressing disappointments because they are asked multiple times by State officials to revise documents, sometimes for only one or some tiny errors, which can be a full stop or a comma in a sentence or a letter in capital font. This has wasted their time and travel costs.

> Record processing is relatively time-consuming:

Some respondents reported that it took ministries quite much time to evaluate business records sometimes for very unreasonable reasons, such as the officer in charge is absent or on leave. Some even found it challenging to meet the officer in charge, and even if they did, several meetings could not necessarily help complete the task.

Thus, according to survey data, the majority of businesses have smoothly implemented the listed APs but to different extents. Procedures of the Ministry of Industry and Trade, Ministry of Agriculture and Rural Development and interdisciplinary procedures are generally easier to implement than those of the Ministry of Health, Ministry of Transport and Ministry of Science and Technology. Survey results also show a large room for ministries and agencies to improve further.

CHANGES AS A RESULT OF IMPLEMENTATION OF ADMINISTRATIVE PROCEDURES VIA THE NSW PORTAL

It was expected that the NSW, once developed, would simplify APs and save compliance costs for businesses. Is it possible to measure these benefits? In this year's survey, we tried to find an answer to this question by asking businesses to provide us with specific information about the changes they experienced in terms of time, costs and personnel involved in the implementation of the APs on NSW in comparison with the previous years' figures when APs were conducted by the traditional method (i.e. direct submissions at line ministries).

Time

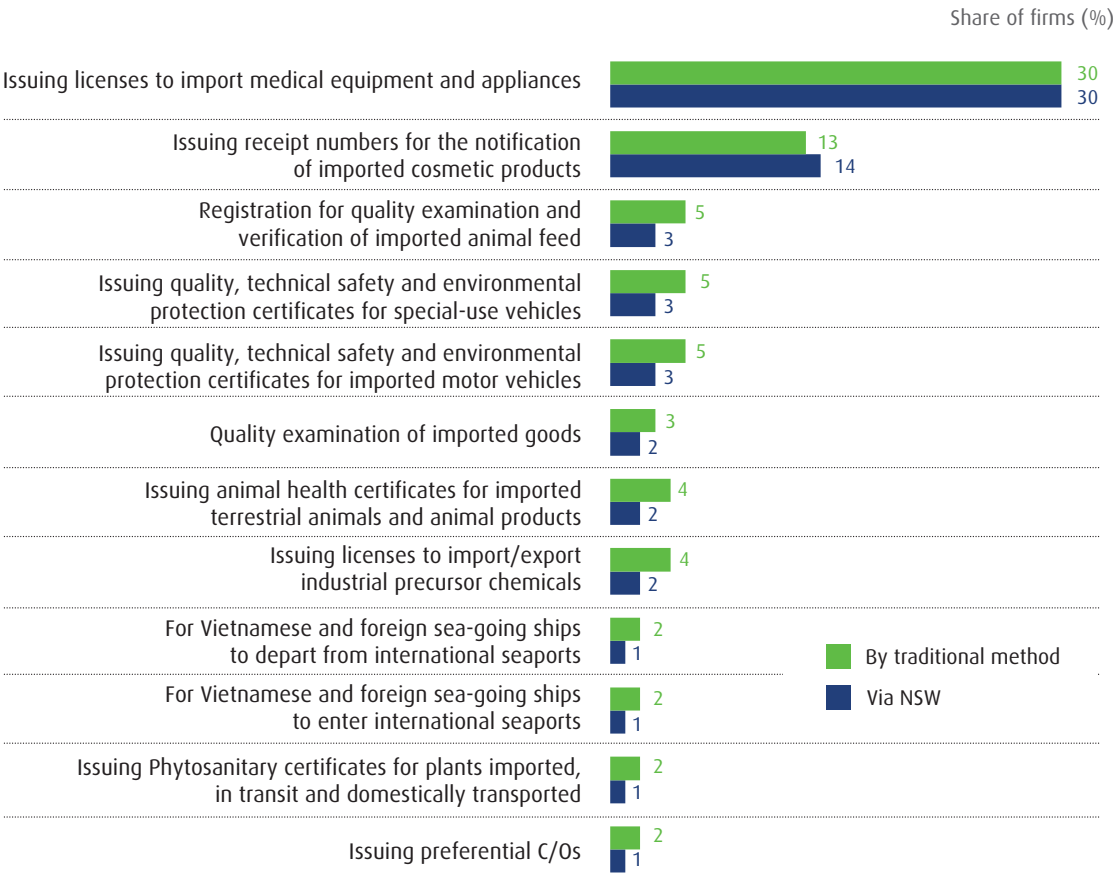
In general, the NSW has brought about positive changes in terms of time it takes to implement APs. Figure 3.3 presents the analysis results illustrating the number of working days an enterprise must spend on each specific administrative procedure. This number is calculated from the time the enterprise's records are accepted as valid until the official completion of the procedure.

With regard to each procedure, we calculate the median number of days that businesses need for conducting the procedure via the NSW and compare it to the relevant number of days that the traditional method would take. The median value shows that about 50% of the businesses have spent a similar or higher number of days than the median number, and about 50% have spent a similar or smaller number of days than the median value. The median number of days lies in the middle of the number sequence arranged in a certain order (either ascending or descending), thus it can represent the characteristics of the sample – the respondent enterprises.

Figure 3.3 shows that 10 out of the 12 APs recorded a reduced median number of days for the procedures conducted on the NSW compared to the traditional method. The reduction ranges between 1 and 3 days, with the best performance with "issuing licenses to import/export industrial precursor chemicals" of the Ministry of Industry and Trade, doing which on NSW has decreased by 3 days compared to the traditional method.

An exception is the two procedures of the Ministry of Health, which do not follow this tendency. It takes a median number of 30 days to issue a license to import medical appliances and equipment. Meanwhile, procedure "issuing receipt numbers for the notification of imported cosmetic products" on the NSW even takes one day more on average than the previous way of direct filing at the Ministry of Health.

FIGURE 3.3 **Comparison of numbers of working days when businesses implement APs by the traditional method and through the NSW Portal**



Compared to the maximum timeframe stipulated under existing legal documents for specialized management agencies, the median number of days it typically takes an enterprise to implement these two procedures of the Ministry of Health is higher than the prescribed timeframe. Meanwhile, for the rest of 10 procedures, it lies within the time allowed (Table 3.1).

It should be noted that the values used for the above analysis are all median. Other parameters such as minimum value, average value, maximum value, and 95% confidence interval are also helpful to provide an overview of the time aspect. These values are provided in Annex 2 of this Report. In addition, while using the confidence interval of days it takes to implement each administrative procedure to compare NSW to the traditional method, we find that the most significant difference that proves the advantage of NSW lying with procedures “issuing preferential C/Os,” “issuing quality, technical safety and environmental protection certificates for imported motor vehicles,” “issuing phytosanitary certificates for plants imported, in-transit and domestically transported,” "issuing animal health certificates for imported terrestrial animals and animal products," "quality examination of imported goods" and "procedure for Vietnamese and foreign sea-going ships to enter international seaports". These improvements have a “statistical meaning” and the implementation of NSW has brought positive changes.

TABLE 3.1 Comparison of number of days for implementation of procedures on the NSW with the prescribed timeframe

Procedure	Median number of days via NSW	Prescribed timeframe	Implementing documents
Issuing preferential C/Os	1	01 working day	Decree 31/2018/NĐ-CP Circular 05/2018/TT-BCT
Issuing licenses to import/export industrial precursor chemicals	2	7 working days	Decree 113/2017/NĐ-CP
Issuing quality, technical safety and environmental protection certificates for imported motor vehicles	3	4 working days (from the end of examination of the qualified motor vehicles and receipt of complete records as regulated)	Circular 31/2011/TT-BGTVT Circular 42/2018/TT-BGTVT
Issuing quality, technical safety and environmental protection certificates forspecial-use vehicles	3	4 working days (from the end of completion of physical inspection and receipt of complete records as regulated)	Circular 89/2015/TT-BGTVT Circular 42/2018/TT-BGTVT
Issuing Phytosanitary certificates for plants imported, in transit and domestically transported	1	1 -10 working days	Circular 33/2014/TT-BNNPTNT Circular 43/2018/TT-BNNPTNT
Registration for quality examination and verification of imported animal feed	3	1-3 working days	Decree 39/2017/NĐ-CP Circular 20/2017/TT-BNNPTNT Decree 74/2018/NĐ-CP
Issuing animal health certificates for imported terrestrial animals and animal products	2	1 – 45 working days, depending on the time of isolation and physical inspection	Law on Animal Health No. 79/2015/QH13 Circular 25/2016/TT-BNNPTNT
Quality examination of imported goods	2	1-3 working days	Circular 27/2012/TT-BKHCN Circular 07/2017/TT-BKHCN Decision 1171/2015/QĐ-BKHCN
Issuing licenses to import medical equipment and appliances	30	15 working days	Decree 36/2016/NĐ-CP
Procedure issuing receipt numbers for the notification of imported cosmetic products	14	3 working days	Circular 06/2011/TT-BYT Circular 32/2019/TT-BYT
Procedure for Vietnamese and foreign sea-going ships to enter international seaports[9]	1	01 hour	Decree 58/2017/NĐ-CP
Procedure for Vietnamese and foreign sea-going ships to depart from international seaports	1	01 hour	Decree 58/2017/NĐ-CP

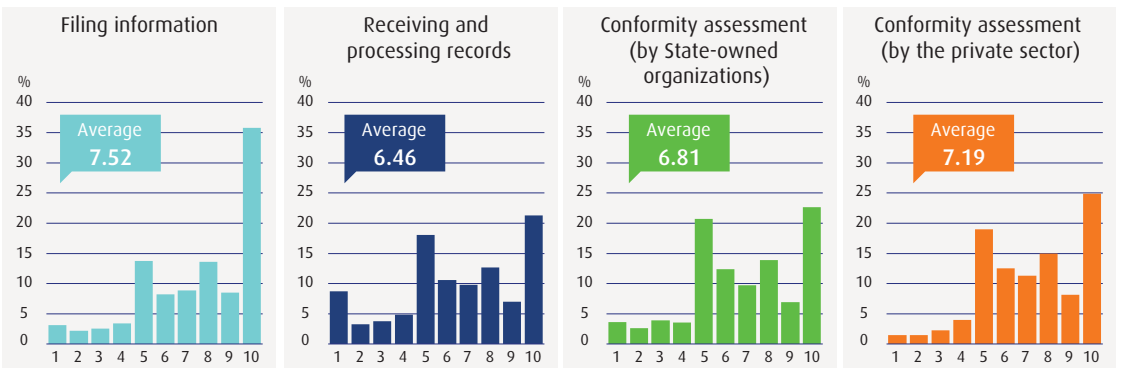
9 As the Survey questionnaires use "working days" as the calculation unit, the time of enterprises to implement the procedures are converted into full days. The time it takes businesses to do the two interagency procedures for "Vietnamese and foreign sea-going ships to enter international seaports" and "Vietnamese and foreign sea-going ships to depart from international seaports" both fall within the regulated timeframe.

Another noteworthy point: above assessments of the time element are collected through a larger survey with businesses across a variety of industries. Therefore, even if they implement one and the same administrative procedure, the goods category could vary with different levels of complexity. This has created certain difficulties in estimating the time that businesses spend on each administrative procedure because the value of the number of working days widely distributed around the average value due to a variety of goods categories involved. In the subsequent studies, we will use HS codes to estimate the number of days spent on APs for specific goods or groupings.

In addition to looking at the reduced number of days for the APs, we also tried to understand which stages are the most time-consuming for businesses. Overall, the implementation of APs can be classified into 4 stages: (1) filing information, (2) receiving and processing records (by the specialized management agencies), (3) conformity assessment (by State-owned organizations), and (4) assessment of the conformity (by the private sector). A 10-point scale was introduced for businesses to choose with higher scores meaning less time consuming. An average score is calculated for each stage to facilitate comparison and cross-evaluation. Figure 3.4 shows the assessments of enterprises for each stage of the process. The columns in the graph represent the percentage of enterprises scoring that point.

FIGURE 3.4 **General assessments of the time-consumption level of each implementation stage of the APs**

Share of firms (%)



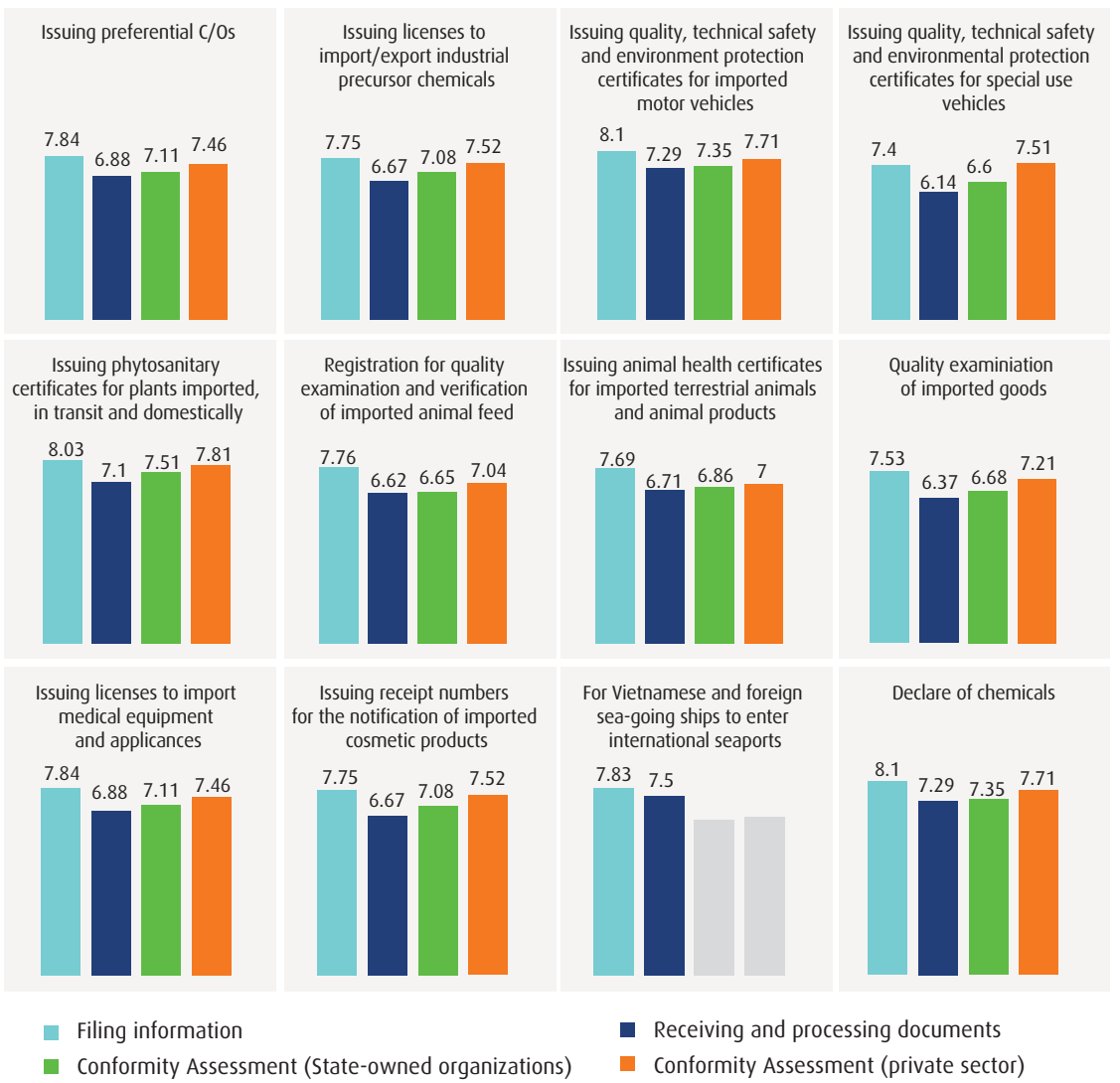
According to the results, “receiving and processing records” at the specialized management and inspection agencies is the most time-consuming stage (6.46 points). Second place comes to “conformity assessment,” where public service providers consume more time than private sector providers (6.81 vs. 7.19 points). “Filing information on the NSW Portal” is the least time-consuming stage for businesses (7.52 points). However, the average score of all four stages is below 8, meaning a significant room for all the stakeholders to improve by further reducing the time of businesses to implement the APs.

Figure 3.5 shows businesses’ perception of time-consumption of each administrative procedure by stages. Accordingly, "filing information on the NSW Portal" is still the most time-saving stage for businesses compared to the rest. In all 12/12 procedures, businesses all reported that they

spent most time on "receiving and processing records" stage which falls within the responsibility of line ministries. The lowest score for "receiving and processing records" stage was given to procedures "issuing quality, technical safety and environmental protection certificates" (6.14 points) of the Ministry of Transport and "quality examination of imported goods" (6.37 points) of the Ministry of Science and Technology.

FIGURE 3.5 **Perception of the time-consuming level of various stages during the implementation of specific APs**

Share of firms (%)



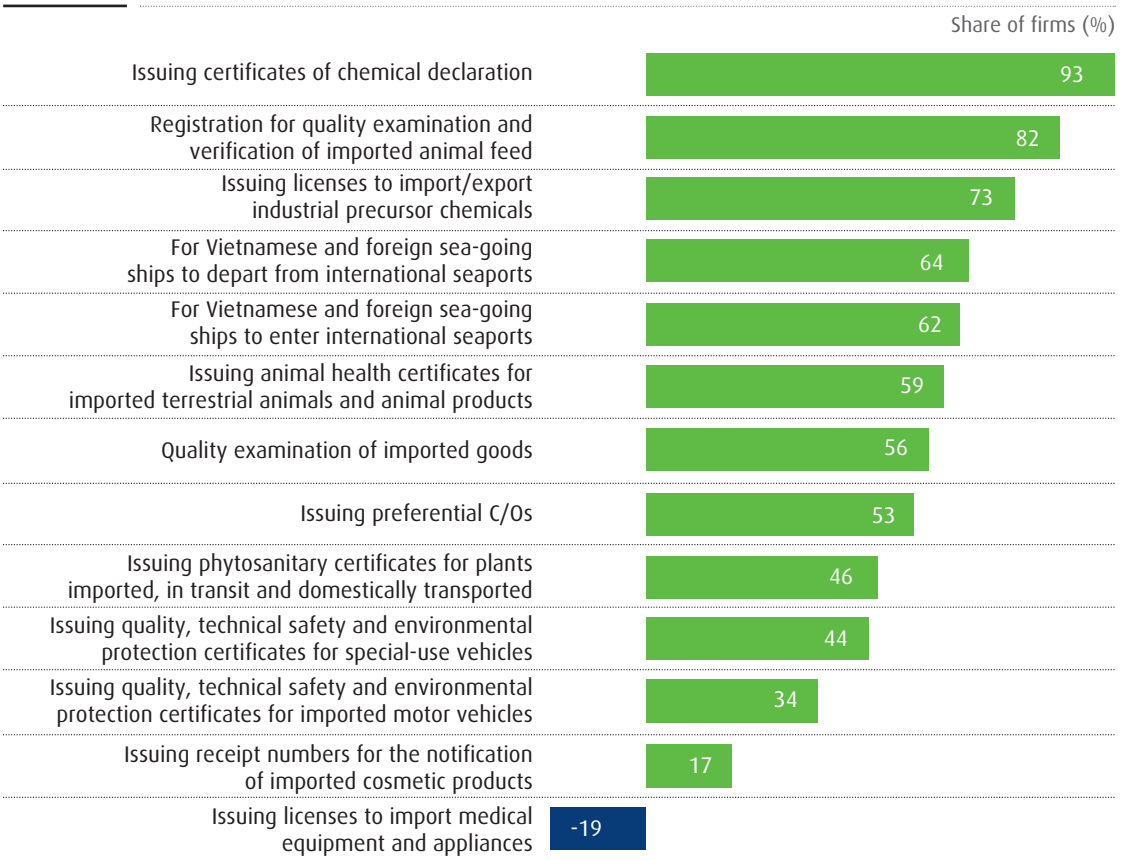
Notes:
(1) Assessment scale scores from 1-10 where 1 is most time-consuming and 10 is the least time-consuming. In other words, the higher scores reflect the better results.
(2) Procedure for Vietnamese and foreign sea-going ships to depart to international seaports is not included because of a small number of observations. Procedure for Vietnamese and foreign sea-going ships to enter Vietnamese seaports is not subject to "conformity assessment.'
(3) Procedure "Declaration of chemicals" is added because this was reported by multiple enterprises in relation to other APs.

Costs

The implementation of NSW also helps to save costs for businesses in most of the procedures as compared to the traditional method (Figure 3.6). In particular, up to 8 APs noted an over-50% reduction in costs from the previous figure, the procedures with the highest rate of cost reduction include "issuing certificates of chemical declaration"[10] (93% reduction), "registration for quality examination and verification of imported animal feed" (82% less) and "issuing licenses to export/import industrial precursor chemicals (73% lower).

"Issuing licenses to import medical equipment and appliances" is the only administrative procedure that goes against the common tendency, when the average cost increased by 19% compared to the cost of the traditional method. Many enterprises implementing this procedure reported that they had to do it on the NSW Portal and at the same time to submit paper documents. Some enterprises also reported on the facts that it took them a long time and multiple travels back and forth to the ministry's agencies to complete the procedure. This finding is rather consistent with the analysis of the time aspect and the overall satisfaction of businesses with the procedures of the Ministry of Health.

FIGURE 3.6 Percentage of cost reductions as a result of implementation of each administrative procedure via the NSW Portal compared to the traditional method (%)



10 Procedure "Declaration of chemicals" is added because this was reported by many enterprises as part of information about other administrative procedures

Figure 3.7 shows the cost of each stage of APs implemented on the NSW Portal using a 1-10 score scale. Specifically, "receiving and processing records" at the specialized management and inspection agencies continues to be the most costly stage for businesses (7.10 points), followed by "conformity assessment" by State entities (7.16 points). The "conformity assessment" services provided by the private sector is generally less costly (7.35 points). Like in the time aspect, "filing information on the NSW Portal" is least expensive (8.09 points). It should be noted that there always exists a part of enterprises, which scored a stage below 5 meaning it is still costly. This is the case for all the four stages mentioned above. "Receiving and processing records" at the state management agency and specialized inspection agency is most expensive for (about 11% of) businesses while "filing information on the NSW Portal" is least expensive (for about 4%). The cost-element evaluation score ranges from 7.1 to 8.09 meaning there is plenty of room for improvement at all the four stages.

FIGURE 3.7 General perception of costs of each stage of implementation of APs

Share of firms (%)

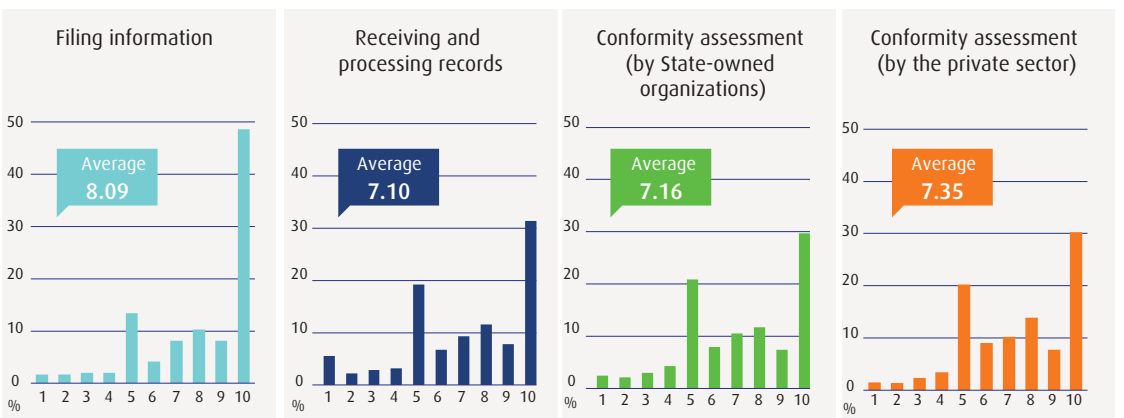


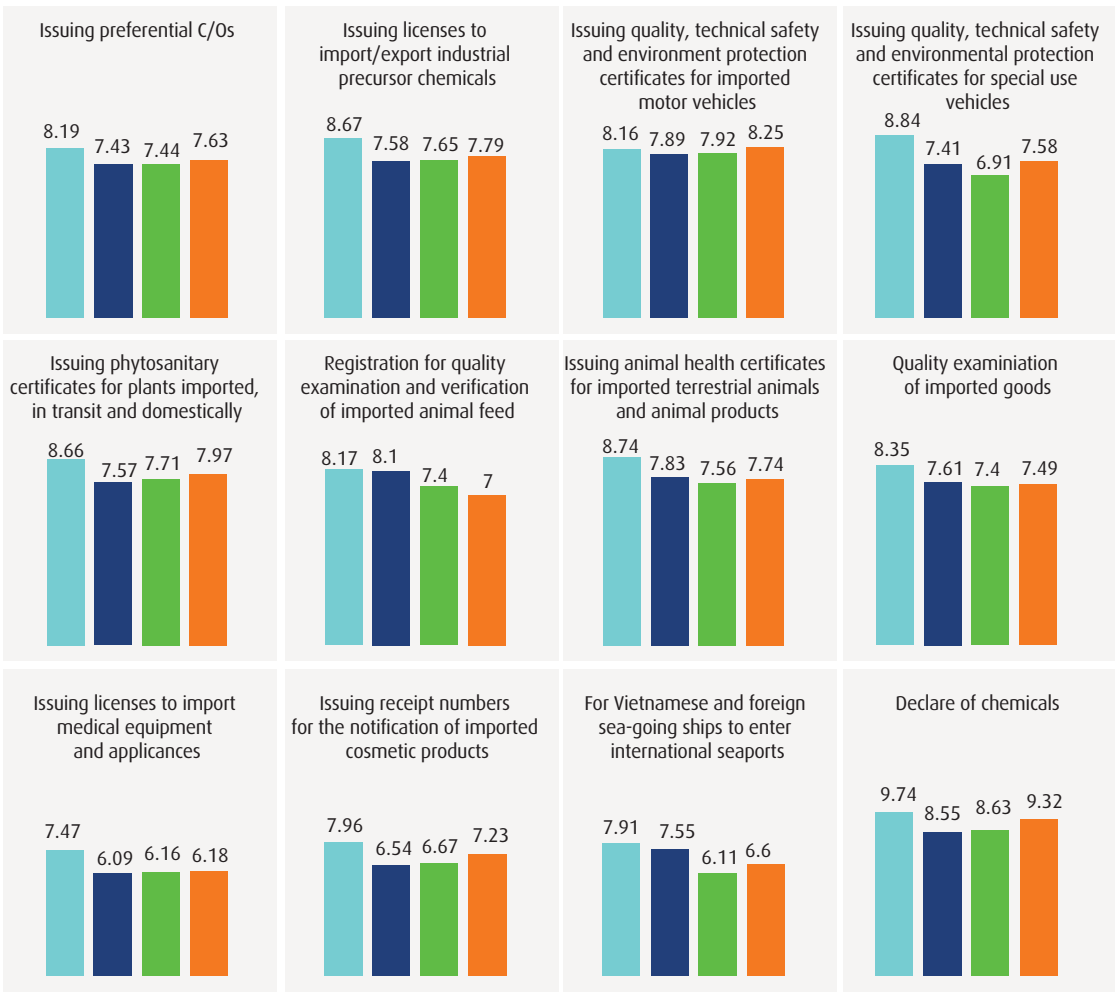
Figure 3.8 illustrates how the cost factor is perceived at each of the key stages of implementation of specific APs. Like the general perception of the time factor, the average score for "filing information" stage is highest for all 12 APs. Some APs show a visible reduction in costs at "filing information" stage via the NSW system, including "issuing certificates of chemical declaration" (9.74 points), "issuing quality, technical safety and environmental protection certificates for special-use vehicles" (8.84 points) and SPS procedures (about 8.7 points). The procedure "issuing certificates of chemical declarations" is scored above 8.5 at all 4 stages. This is the procedure with the most positive observed changes brought about by the NSW in terms of both time and cost.

What differs from the perception of the time element is that the cost element does not vary much across other stages of one administrative procedure. This is because "conformity assessment" stage also costs as much as "receiving and processing records" stage. In some procedures such as "registration for quality examination and verification of imported animal feed,"

"issuing animal health certificates for imported terrestrial animals and animal products," "quality examination of imported goods" and for "Vietnamese and foreign sea-going ships to enter international seaports, their "conformity assessment" stage (by the State or private sector) costs more than "receiving and processing records" stage.

FIGURE 3.8 Perception of the cost of each stage of implementation of APs

Share of firms (%)



Note:
(*) Assessment scale scores from 1-10 where 1 is most time-consuming and 10 is the least time-consuming. In other words, the higher scores reflect the better results.
(**) Procedure for Vietnamese and foreign sea-going ships to departing to international seaports is not included because of a small number of observations. Procedure "Declaration of chemicals" is added because this was reported by multiple enterprises as part of information about other APs.

To consider "receiving and processing records" stage alone, once again the two procedures of the Ministry of Health have the lowest scores, namely "issuing licenses to import medical equipment and appliances" (6.09) and "issuing receipt numbers for the notification of imported cosmetic products" (6.54). These scores are too far from the average score 7.10 for "receiving and processing records" stage across all the APs.

Personnel

Conducting APs via NSW helps reduce the human resources that a business should mobilize to implement those procedures. Nine out of 12 surveyed procedures recorded over a 50%-reduction in the personnel number (compared to the traditional method). Meanwhile, there are no changes in the personnel number with regard to the rest three procedures, namely "issuing licenses to import medical equipment and appliances," "issuing receipt numbers for the notification of imported cosmetic products," and issuing phytosanitary certificates for plants imported, in transit and domestically transported."

Other changes

In addition to asking businesses to provide their perception of the changes in terms of time (number of working days), total costs and personnel, the survey also aimed at exploring how businesses perceive several other aspects of the implementation of APs via the NSW Portal. Specifically:

(i) Information about the progress of processing of an administrative procedure;

(ii) Number of documents required for submission;

(iii) Clarity of template forms and declaration forms;

(iv) Formal expenses (charges);

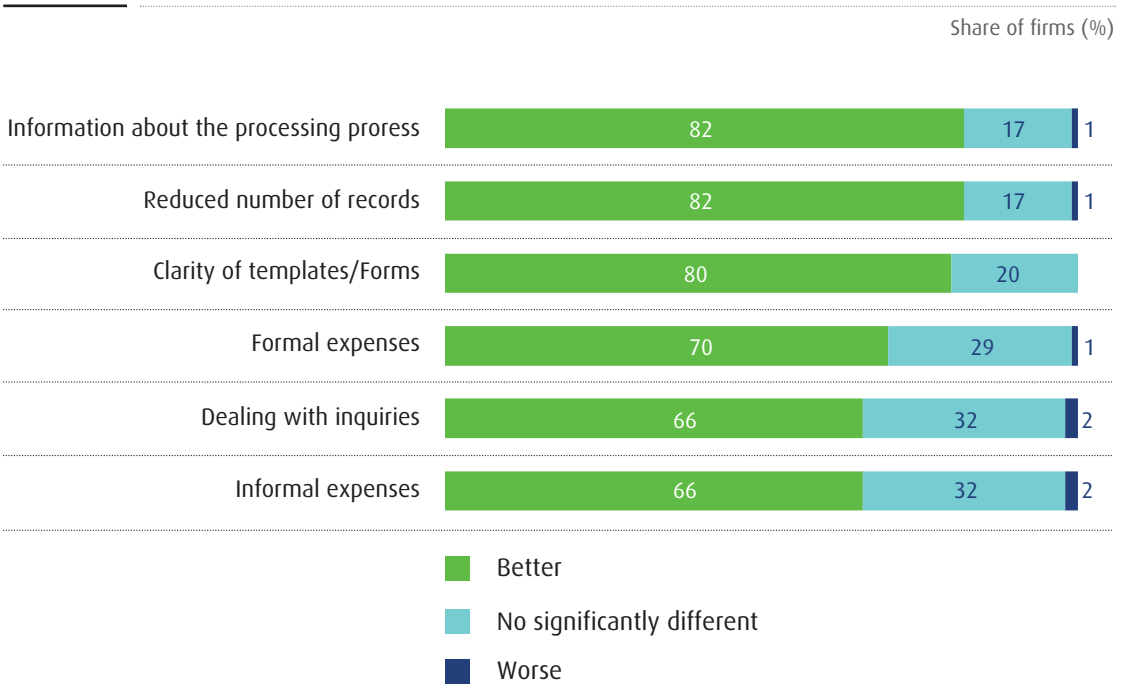
(v) Informal expenses; and

(vi) Efficiency of how businesses' inquiries about procedures are handled.

In general, compared to how APs are handled before, there are first three aspects with most positive changes as agreed by 80% of the respondent businesses. In addition, about 70% of businesses shared a view that their cost burden has reduced, and 66% experienced a reduction in informal expenses. Similarly, according to 66% of the respondents, their inquiries or requests for help have been dealt with better (Figure 3.9).

Despite this, there still remains a small number of enterprises that do not see any positive changes. For example, 32% of businesses see no improvement in respect of the informal expenses, with 2% feeling it even worse. According to opinions of 20% of the respondents, template forms and declaration forms are not clearer, i.e. every five businesses on average still has problems with forms/templates. Therefore, it is important to continue reforming APs, increasing their efficiency and improving business experiences on the NSW Portal.

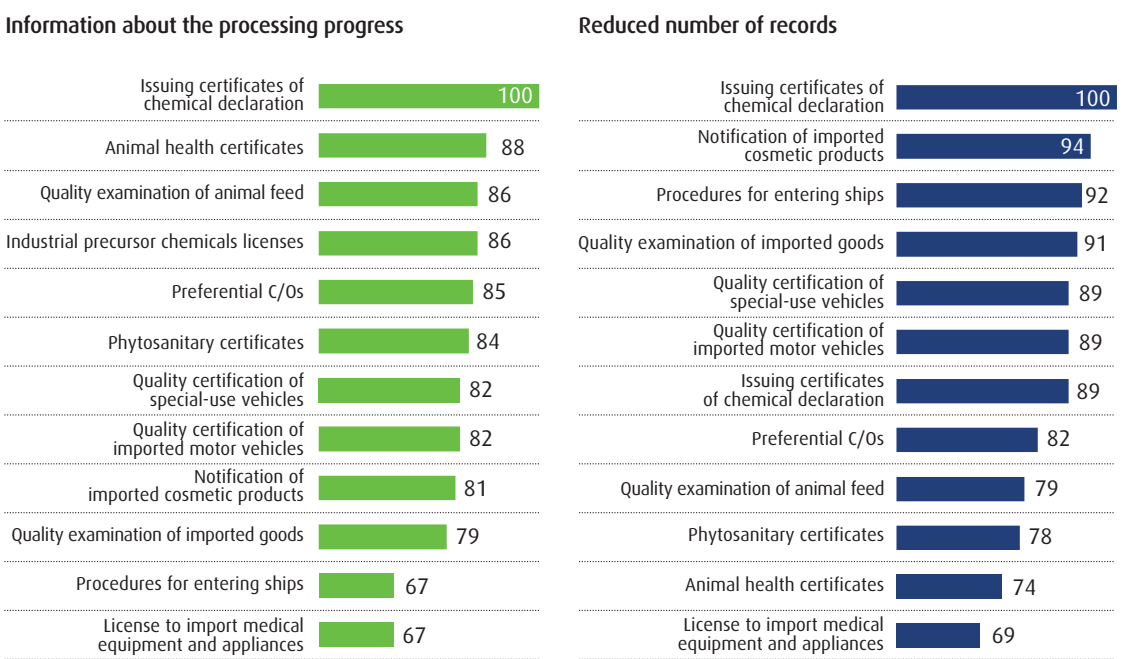
FIGURE 3.9 **Other changes as a result of the implementation of APs on NSW**



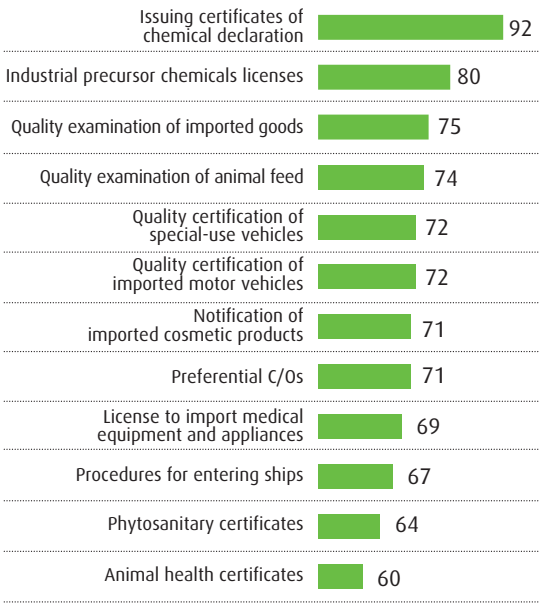
Another noteworthy point is the improvements are generally very different across APs. As illustrated in Figure 3.10, only 3 elements "information about the processing progress," "reduced number of records" and "clarity of templates/forms" show obvious improvements thanks to the NSW Portal. All the 12 surveyed APs have recorded 67% of the respondent enterprises with affirmative responses to all these three elements. Meanwhile, other elements "informal expenses," "formal expenses" and "dealing with inquiries" still show difficulties with regard to certain APs.

FIGURE 3.10 **Percentage of businesses perceiving positive changes in specific elements as a result of NSW compared to the traditional method**

Share of firms (%)



Formal expenses



Informal expenses

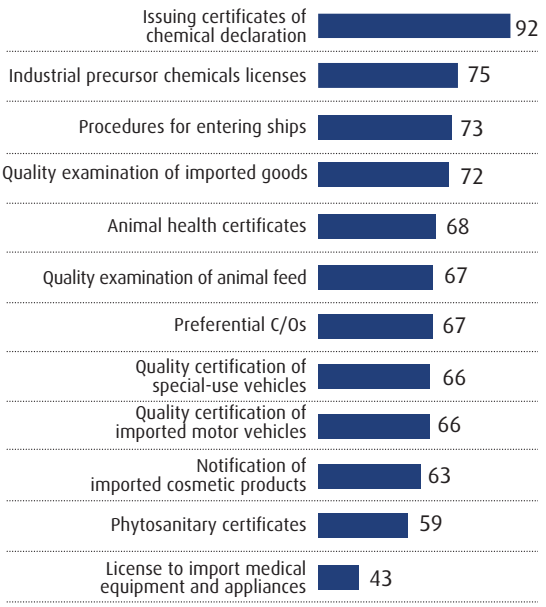
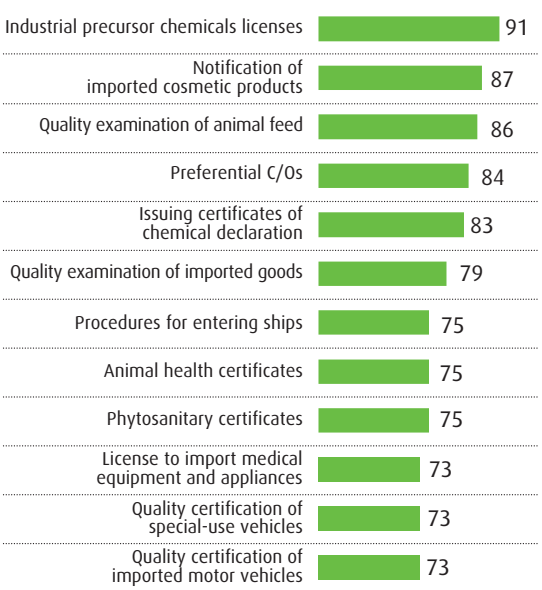


FIGURE 3.11 Percentage of businesses perceiving positive changes in specific elements as a result of the NSW compared to the traditional method (cont.)

Share of firms (%)

Clarity of forms/templates



Dealing with inquiries

As reported by enterprises, the current shortcomings with "information transparency" are mainly due to the lack of information about the process status and completion deadline. A large number of businesses agreed that in many cases, line ministries did not justify their reasons for rejection, nor referred to appropriate legal documents to clarify why their records are not valid, and how businesses should fix it. An analysis shows that the ministries involved in (inter-agency) procedure for entering sea-going ships and procedure "issuing licenses to import medical equipment and appliances (of the Ministry of Health) need to pay special attention to this issue.

Enterprises also report on the number of required records/documents, which remains substantial, and the fact that the system is not fully automated as they have to concurrently submit paper documents at the specialized management agencies. As recommended by the respondent enterprises, the Ministry of Health – with its procedure "issuing licenses to import medical equipment and devices," and the Ministry of Agriculture and Rural Development - with the animal health certificate issuing procedure need to find out solutions to ease the burden on businesses as they have to concurrently submit paper documents and conduct the procedure on the NSW Portal. In addition, forms and templates need to be consistent, easy to understand and access, and should not be duplicated. This problem is of a particular interest of the businesses which conduct procedures for quality, technical safety and environmental protection certificates for imported motor vehicles and special-use vehicles (the Ministry of Transport) and procedure to obtain a license to import medical equipment and appliances (the Ministry of Health). Per businesses' comments, it is still comment that different management agencies request for similar documents and information. If ministries and agencies can connect and share data with each other, this will save time and costs significantly for businesses.

According to businesses, they always feel lack of support when they have a question or inquiry. This is the most disappointing problem for businesses and happens with almost every surveyed administrative procedure, particularly procedures for issuing animal health certificates, phytosanitary certificates, quality examination of imported goods, quality examination of animal feed, procedures for entering sea-going ships, issuing licenses to import medical equipment and appliances. For now, phones and emails are most used by businesses when they need help. However, given a large number of businesses in need and limited number of sources at the division in charge, not every call is satisfactory and not every email is answered. This indicates a need to have more staff for online support to businesses as well as for new channels of support, for instance via forums, social networks and mobile applications.

Finally, while the NSW Portal has helped to significantly reduce the cost of APs, businesses expect further reductions in the future. According to recommendations of over 36% of the respondents, all formal expenses relating to two procedures for issuing animal health certificates and phytosanitary certificates should be further reduced. With regard to informal expenses, over 34% of the enterprises agreed that there are five procedures that NSW does not result in any differences in informal expenses or makes it even worse. Those procedures include "quality certification of special-use vehicles" (34%), "quality certification of imported motor vehicles" (34%), "issuance of notification of imported cosmetic products" (37%), "issuance of phytosanitary certificates" (41%), and "issuing licenses to import medical equipment and appliances" (57%).

BOX 3.1 Interagency coordination in dealing with APs on the NSW Portal – experience of Korea

Korea is one of the most successful countries with a national single window model. Having encountered the problems of a specialized processing system which is dispersed like Vietnam, Korea has gradually sorted it out and built a robust national single window system that significantly saves the cost of compliance with APs of enterprises.

Korea's NSW (UNI-PASS unipass.customs.go.kr) is a good example of an effective mechanism for interagency collaboration in resolving APs through the National Single Window. Such interagency coordination takes the following key forms, among other things: structural coordination, public - private coordination, and technical coordination.

First, Korea promoted structural coordination by appointing lead agencies and establishing a Task Force that consisted of relevant ministries, policy advisors/consultants, and software engineers to build and upgrade UNI-PASS. The Task Force is led by the Korean Customs Service (KCS). One of KCS's first tasks was to troubleshoot the problems of the old national single window operating in a dispersed manner due to historical factors. By this model, each line ministry connects to NSW but has its own IT infrastructure and different types of documents and forms. The Task Force sat down with each of the relevant ministries to coordinate again the process and data formats. To resolve the problem, the Task Force held over 16 rounds of meetings, which led to the revision of seven relevant laws and the modification of 10 application and declaration forms related to eight agencies involved in UNI-PASS.

With regard to the public-private coordination, the Public-Private e-Trade Center was assigned to lead this. The Korea Paperless Trade Office of Korea International Trade Association (KITA) was devoted to consolidating opinions for setting up and implementing policies, and supporting the establishment of a B2B network among trading firms, banks and shipping lines. The private sector took an active part in different efforts including system development for UNI-PASS or trainings on the NSW utilities.

Meanwhile, KCS also initiated formal or informal procedural arrangements to facilitate the participation of all stakeholders (including relevant government agencies and private sector representatives) in the development of UINI-PASS. KCS encouraged customers who experienced advantages with UNI-PASS to take part in the promotional activities and persuade non-participating agencies to join.

In technical coordination, KCS made full use of technical instruments of the Government to increase the usage rate and the number of participating agencies in UNI-PASS. Several important instruments provided new utilities to businesses including an application service provider (ASP) system, business process reengineering (BPR), information strategic planning (ISP), customs data warehouse (CDW) and verification system.

It is estimated that the effective interagency coordination has helped reduce the time for conducting APs for imports and exports by one third and helped Korea to save around USD 2.1 billion of the compliance cost.

Source: Feiyi Wang (2018). Interagency coordination in the implementation of single window: Lessons and good practice from Korea. World Customs Journal, Volume 12, Number 1.

04

IMPLEMENTATION OF ELECTRONIC PAYMENTS ON THE NATIONAL SINGLE WINDOW PORTAL

Key payment methods of enterprises 73

Level of readiness for use of e-payments 77

One of the new features that will be integrated into the NSW Portal as expected by businesses is electronic payments. Part 4 explores the willingness and readiness of the Vietnamese enterprises to conduct e-payments on the NSW.

KEY PAYMENT METHODS OF ENTERPRISES

Electronic payment or online payment is a form of non-cash transactions and payment activities that are conducted on the internet environment. Several key forms of electronic payment include internet banking, mobile banking, electronic wallets or mobile money. For now, the NSW Portal has no feature that allows businesses to pay fees directly on the Portal. Businesses will receive a notice the administrative procedure fee from line ministry and then make the payment either by bank transfers or by cash.

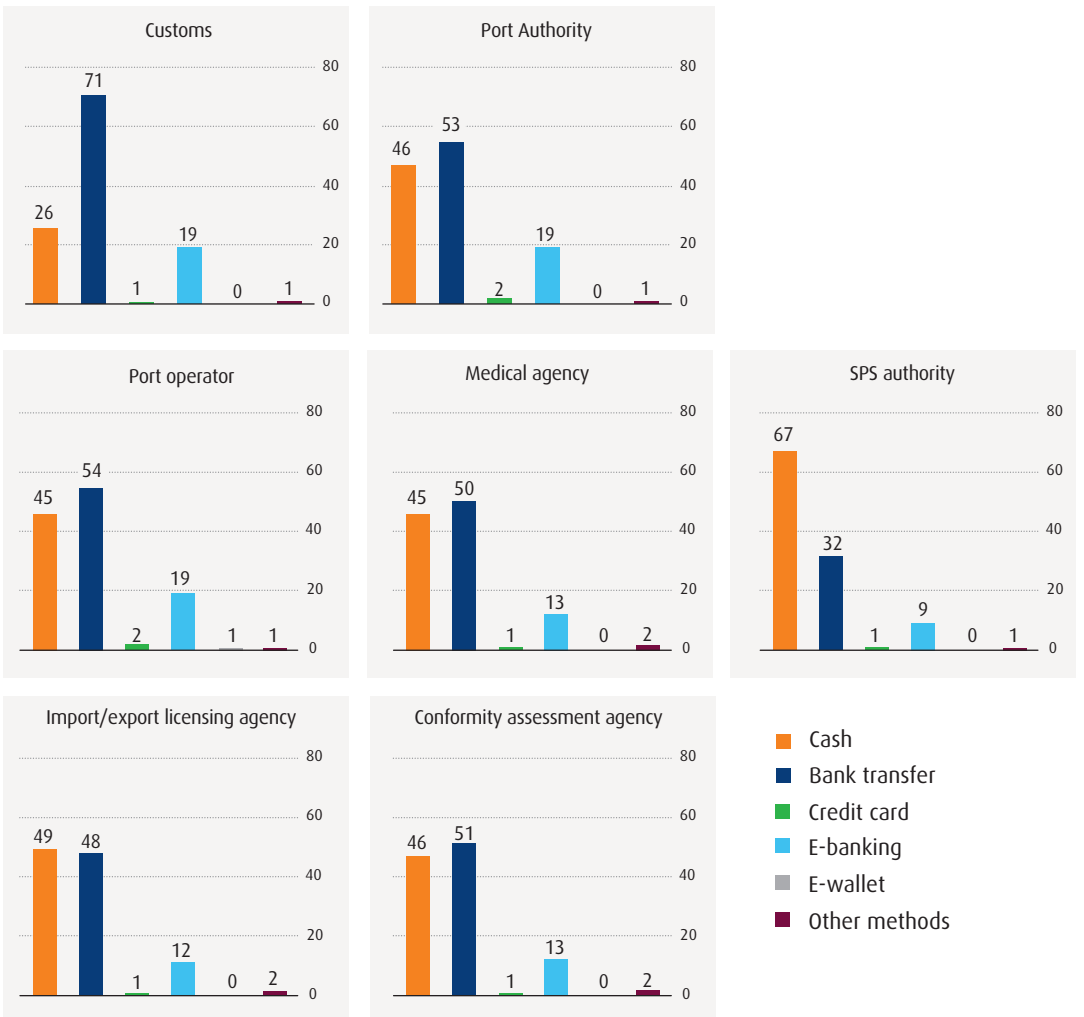
As part of this year's survey, businesses were asked to report on their most frequently-used methods to pay taxes, fees and charges to the payment processing entities during the transaction process. Specifically, we have listed several common methods such as cash, bank transfer, credit card, electronic banking (E-Banking), e-wallet... Depending on their practices, businesses can make multiple choices other than a single one.

We also ask businesses for information about their most frequently used mode of payment for certain types of transactions during import and export activities in the last 12 months. The transactions include those with customs authorities, port authorities (both seaports and airports), port operators, health authorities, plant and animal quarantine agencies, import/export licensing agencies, conformity assessment organizations...

The Survey results show that the three most common payment methods during administrative transactions between enterprises and state agencies include "bank transfer," "cash payment," and "E-banking". Although bank transfer is most used, cash remain to have an important role in the implementation of APs for import/export (Figure 4.1). Cash is used by 67% of businesses in conducting administrative transactions with quarantine agencies and 49% of enterprises use cash payment when implementing procedures with the import/export licensing agency, i.e. specialized management ministries. Similarly, over 45% of businesses pay cash when conducting APs with port authorities, health authorities, and conformity assessment organizations.

FIGURE 4.1 Payment methods used by enterprises during transactions

Share of firms (%)

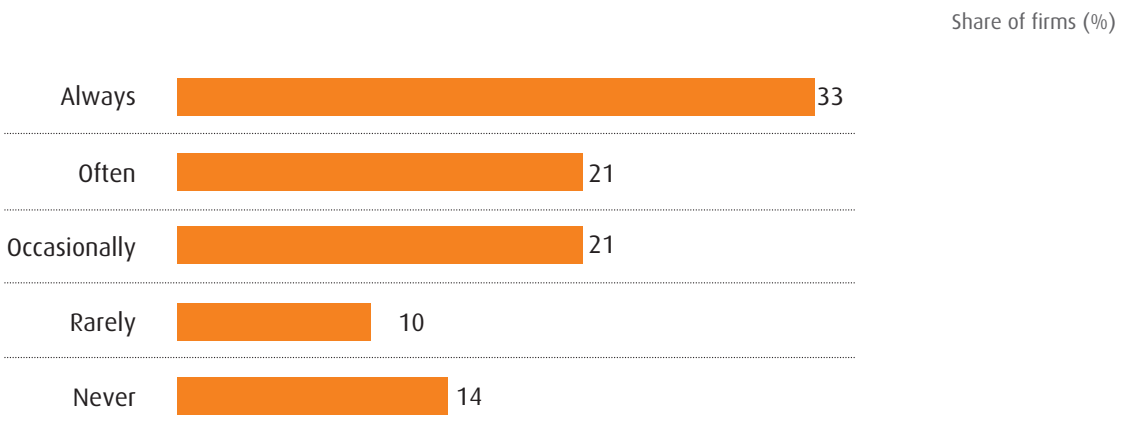


Note: Values shown in the graphs stands for the percentage of enterprises using that relevant method. One enterprise can use more than one method.

Customs is among the State agencies which are most active in digitalizing the tax/duty payment system. Since 2014, the e-payment portal of the Customs has enabled payment of taxes and fees to be made electronically. In October 2017, GDVC launched a 24/7 electronic payment and customs clearance portal. In order to meet the comprehensive needs of import-export enterprises to be able to carry out customs procedures anytime - anywhere - on all means as well as to use and operate information, GDVC step by step upgraded and expanded the 24/7 tax e-payment system towards a Collecting Enterprise Agent Program. By November 2019, the preparation was completed and the Tax E-Payment Program via collecting enterprises was put into official operation through five banks[11]. Thus, regarding administrative transactions with the Customs authorities, businesses can choose a payment method among cash, direct payment at the bank, 24/7 tax e-payment or participation in the Tax E-payment Program via collecting enterprises. The Survey results have noted a fact that when dealing with the Customs, bank transfer is most used (71%) and 19% use E-Banking. Only 26% choose payments by cash, lowest compared to other agencies.

What the Customs has been doing when it comes to e-payments of duty and tax is in line with businesses' current needs. Indeed, it is popular that enterprises use e-payment in their ordinary business transactions. According to the Survey, 86% of the enterprises reported that they have made e-payments in business transactions for the last 12 months (Figure 4.2). Out of that, about 21% always use this method, and one third often use it for the last 12 months. Enterprises that do not use e-payment method within one year make up a very small percentage, 14%.

FIGURE 4.2 **Frequency of using e-payments by enterprises during their business transactions**



11 GDVC (2020). Information about cross-border trading in the World Bank's Doing Business Report 2021 (DB2021).

Like the business sector, over the past time, the banking system has been constantly promoting and expanding e-payments to public services. Statistics announced by the State Bank of Vietnam (SBV) as of end of June 2019 show that there are about 50 banks nationwide that have agreed to coordinate in collecting duty/fees electronically in relation to tax and customs procedures across 63 provinces, cities and all districts throughout the country; 27 banks and 10 intermediary payment service providers have coordinated in collecting electricity charges; and 100% of medical facilities under the Ministry of Health have started projects on cooperation with banks to collect medical examination and treatment fees.[12]

Thus, as of now, e-payments are very popular. Most businesses have access to this form of payment and almost every domestic bank has been participating in this service market. In the context of rapid development of IT applications in Vietnam's financial sector, implementation of e-payment on NSW would help to make the administrative procedure handling process faster, easier to follow and safer for businesses because they do not have to bring cash along.

12 Financial Journal (2019). Promoting e-payments in the public service sector. Visited on 26 March 2020 at http://tapchitaichinh.vn/nghien-cuu-trao-doi/thuc-day-thanh-toan-dien-tu-doi-voi-linh-vuc-dich-vu-cong-308746.html

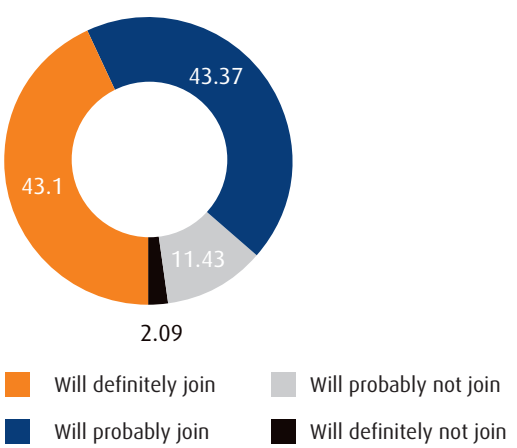
LEVEL OF READINESS FOR USE OF E-PAYMENTS

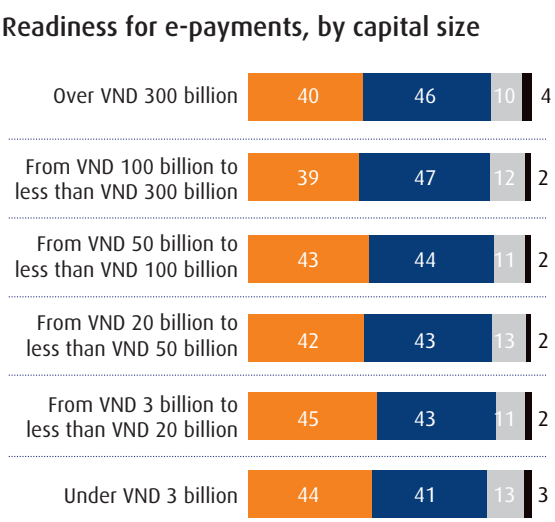
Enterprises in the survey are generally ready to implement e-payments as part of their administrative transactions with state agencies. The survey results show that 86.5% of businesses reported they "will definitely join" or "will probably join" as soon as the NSW Portal introduces electronic payment method.

The level of business readiness for e-payments does not significantly vary across sizes. About 81% of enterprises with the capital size of less than VND 3 billion are potential to implement electronic payments as soon as this method is introduced. That ratio is only 1% smaller than the percentage of enterprises with the capital size of over VND 300 billion that are ready to do so.

FIGURE 4.3 **Level of businesses' readiness for e-payments**

Share of firms (%)

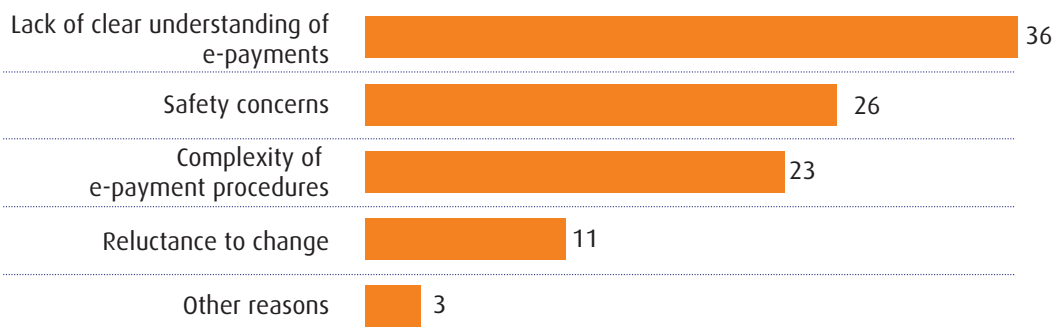




Only about 13.5% of surveyed businesses said they were not yet ready for this change in the payment method. The reasons are described in Figure 4. 4. Accordingly, "Lack of clear understanding of e-payments" is the most common reason (36%), followed by "safety concern" (26%), "complication of e-payment procedures" (23%) and "reluctance to change" (11%). The reported problems are caused by lack of information, which makes it even more important to focus on the communication and dissemination of information about e-payments, particularly how to use e-payment method on the NSW Portal.

FIGURE 4.4 Reasons for unreadiness of businesses for e-payments

Share of firms (%)

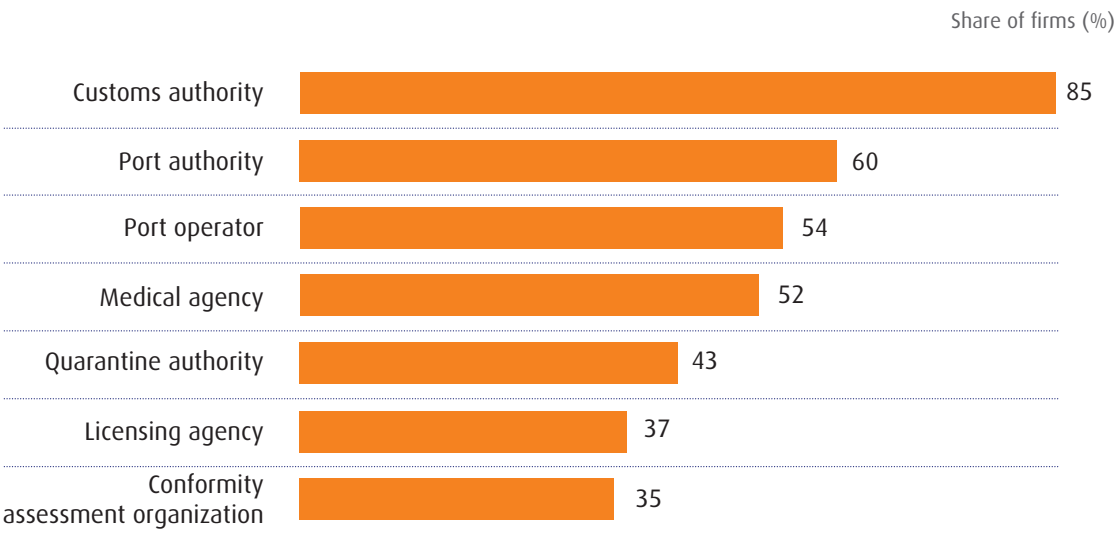


An attempt was made as part of the survey to understand the time when enterprises want e-payments to be applied. Majority of the respondents suggested 2020 as appropriate (71.4%). 19% enterprises chose 2021, and only 9.6% said they would pick a time after 2021 (Figure 4.5). Opinions about the time of commencement of e-payment implementation are quite consistent across enterprises of different sizes.

FIGURE 4.5 When enterprises want e-payments to be implemented

If e-payments are implemented gradually on NSW, this process can start from the APs of customs authorities (Figure 4.6). 85% of the respondent businesses would like the customs to use e-payments, much higher as compared to other agencies including port authorities (60%), port operators (54%), or medical agencies (52%).

FIGURE 4.6 Agencies that should apply e-payments



05

RECOMMENDATIONS

Recommendations to improve functions and operation of the NSW Portal 85

Recommendation on the facilitation during the implementation of APs on the NSW Portal 92

Based on the problems identified in the previous Parts of the Report, Part 5 highlights some recommendations from the business perspective in order to improve the delivery of APs on the NSW Portal.

RECOMMENDATIONS TO IMPROVE FUNCTIONS AND OPERATION OF THE NSW PORTAL

Based on assessments of businesses, recommendations to GDVC include (1) to improve the technical infrastructure of NSW; (2) to implement electronic payment; (3) to improve the information quality for business support; (4) to continue and enhance cooperation with ministries to speed up the automation of APs on NSW; (5) to improve the communication, dissemination of information and guidance on the NSW to businesses.

With regard to the functions offered on the NSW Portal

Troubleshoot the problems with the registration of digital signatures

While conducting APs on the NSW Portal, businesses have to use digital signatures if so required by specialized laws. Before that, businesses have to register their digital signatures and this can be done immediately as soon as an enterprise opens an account using the Portal. Challenges to businesses mainly arise at this stage.

First, instructions as how to install Java and to use Internet Explorer (an old-day browser which is no longer popular) remain quite complicated for businesses. GDVC needs to have solutions to make these instructions easier to understand. In addition, GDVC technical units should consider options to allow businesses to use different browsers after registration of digital signatures, and to have a helpdesk to either guide businesses on installation or deal with their problems online.

Second, there is a significant number of businesses that conduct APs on the NSW Portal via authorized third parties, such as customs agents. Some suggest that the Portal consider the feasibility of a proposal on allowing customs agents to use their digital signatures for signing and sending while performing various operations on NSW. If this feature is added, it would reduce time to conduct procedures as well as facilitate customs agents' work.

Add an electronic payment function

The analysis in Part 4 of the Report indicates the need and readiness of businesses for electronic payments on the NSW Portal. This is one of the key features that an NSW must-have. Deploying electronic payments will shorten the time and make it more convenient for both enterprises and State agencies.

Therefore, in the time to come, GDVC needs to study and propose the Committee 1899 and the Ministry of Health to soon integrate electronic payment function into the NSW Portal. This should be done in parallel with the improvement of the regulatory framework to manage and

monitor the new electronic payment system and intermediary payment services, as well as with the issuance of new regulations on the responsibilities of service providers, users and third parties.

Implementing electronic payments also requires coordination among State agencies and engagement from the private sector players in the provision of payment services. Public-private-partnership in designing and delivering electronic payment services will play a crucial role throughout the implementation process.

For a small number of businesses that have never used e-payment, GDVC can assist by promoting communication, coordinating with press agencies to disseminate information and guidelines on e-payments, as well as reinforcing businesses' trust in the benefit of electronic payments as part of the implementation of APs for import and export.

Upgrade the functions that deal with businesses' inquiries during the implementation of APs

Supporting and addressing businesses' difficulties during the implementation of APs remains a challenging area. Although NSW basic features such as FAQs and dealing with inquiries about APs are in actual operation, they are unable to meet expectations of the majority of enterprises. Per analysis in Parts 2 and 3, enterprises often find it difficult to contact the person in charge for questions about APs. It is popular that enterprises are unable to contact or meet the person in charge. Numerous enterprises are not satisfied with how their inquiries are dealt with in relation to most of the APs. As proposed by enterprises, GDVC should do the following to improve the situation:

- Improve the efficiency of the division in charge of dealing with inquiries through helpdesk;
- Diversify the channels for handling businesses' problems with APs: forum, social networks or services on mobile platforms (SMS or mobile app);
- Inform businesses of the web pages that regular updates on businesses' common errors with their files and specific solutions thereto.

In addition, GDVC needs to work with line Ministries in charge of relevant APs on a cooperation mechanism and clear task division to support businesses. In fact, given the increasing number of accounts and APs on the Portal, the help desk division at GDVC would become overloaded. Therefore, operational support from other ministries and agencies is crucial in order to provide timely support to businesses. State agencies could think about the public-private partnership as an option by engaging the private sector in the work of supporting and assisting businesses when they have problems with APs on NSW. This would improve the service quality and ease the burden on government officials.

Finally, GDVC needs to enhance dissemination and guidance on the NSW to a large number of businesses to make them informed and ready for NSW for implementation of APs. In parallel with training sessions for businesses, the NSW Portal operator should consider distributing visual and easy-to-understand materials in the form of flowcharts and tutorial videos regarding various functions of the Portal and illustrating how to implement APs on the site.

Introduce new value-added services in support of businesses

While many countries in the region have developed an NSW system that enables integration of different business support services throughout the value chain, Vietnam's NSW is only limited to purely offering APs. Value-added services for businesses are still missing. Vietnam's current NSW system is not yet operating as a single and centralized entry point where businesses with production and business problems can refer to for solutions.

Up to now, the Ministry of Finance has developed an overall plan on the development of a centralized IT system for implementation of the NSW. The plan also includes the possibility to deliver different services and utilities to organizations, citizens, businesses, and officials and state employees in ministries and agencies. However, the add-on services are only available when it comes to the public services, and there is no mechanism to connect businesses with the support services provided by the private sector. Therefore, to adopt a new approach to the development of the NSW, GDVC and ministries need to consider developing the NSW as a more centralized system, which is not only offering public services but also a platform where businesses can connect with each other. In other words, a business while visiting the NSW Portal can conduct APs and at the same time be able to find its partners and networks for its business and production services and operations. The model adopted by some countries in the region such as Singapore, South Korea or Thailand may be a good suggestion for future upgrades to Vietnam's NSW.

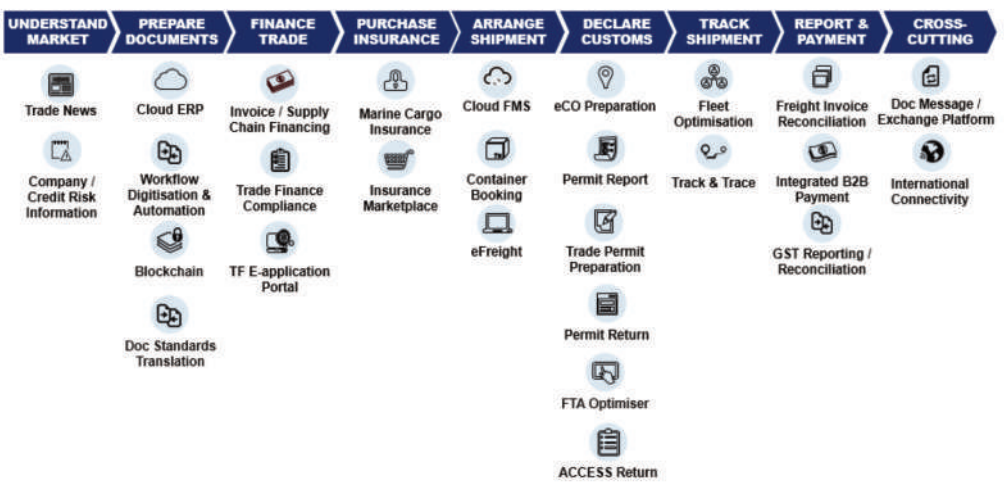
BOX 5.1 Good practice: PPP in the development of Singapore's trade community system

Singapore is one of the regional pioneers in the application of information technology in processing APs on international trade and transportation. Singapore's current NSW - called Networked Trade Platform (NTP), won the 2017 World Summit on the Information Society (WSIS) Prize in the e-business category. NTP was also conferred the best Smart City Project under the Economic Development category of the International Data Corporation's (IDC) 2016 Smart City/Asia Pacific Awards (SCAPA).

Before NTP, Singaporean Government was operating a system called TradeNet. It was the country's one-stop-shop, operating since 1989. Besides TradeNet, since 2007 Singapore had been developing another system called TradeXchange. This was an electronic one-stop shop that allowed businesses to connect with trade and logistic ecosystem. TradeNet and TradeXchange developed in parallel until September 2018 when the country's Customs and the Government Technology Agency (GovTech) succeeded in co-building Networked Trade Platform (NTP) which incorporated both TradeNet and TradeXchange with many new functions and services. NTP was built towards becoming a trade-transportation ecosystem which connects players across the trade value chain - in Singapore and abroad. Its service philosophy is to offer every single service that an enterprise needs thoroughly through an open digital platform where service providers to develop new applications and foster innovation within the trade ecosystem. Businesses access NTP not only to conduct APs with government agencies, but also to meet appropriate partners in trade, transportation, banking, insurance and many other services.

To develop NTP, the Singapore Customs and GovTech adopted outside-in approaches in order to understand the needs and come up with solutions that can harmonize the needs of all users. The NTP team held extensive consultations with different stakeholders including trading enterprises, ministries, agencies, service providers and technological solution providers. The NTP team proactively conducted interviews with many businesses in all sectors, held seminars, presented simulations and invited stakeholders to test the system. For example, in November 2016 alone, the NTP team had over 20 sessions with programmers, users of TradeNet and TradeXchange, and CEOs of business support service providers. The participants all had a chance to observe NTP's wireframe design, which displayed all functional components on the Portal and were asked to perform a sequence of operations. The NTP Project technicians then asked questions to find out whether users could locate the functions, understand the page structure, the page layout, the content, in order to gather all necessary recommendations. In addition, thanks to the active participation of multiple players, over 300 ideas were given about the value-added services and applications that can be potentially developed and linked with NTP.

Value-added services on the NTP ensure that it can address the needs of the businesses from end-to-end – from understanding opportunities and risks of new markets, to preparing trade documents, obtaining trade finance and insurance, arranging for shipments, tracking goods movement, declaring Customs, and finally to invoicing and payments. The diagram below illustrates the core value-added services on NTP. Under each of these service segments, NTP works with providers to bring onboard VAS to serve the traders' needs.



Source: Singapore Customs (2018). Fact Sheet Networked Trade Platform.

With regard to the specifications of NSW

Promote the development of a centralized information technology system for implementation of the NSW

Many of the problems reported by businesses can be significantly addressed if better investments are made in the NSW Portal's technical infrastructure. Vietnam's current NSW system is quite dispersed with only part of it being centralized. About 89.1% of APs remain dispersed and only 10.9% are fully integrated into the NSW Portal[13]. Currently, each ministry and industry is running its own technical infrastructure system to receive information, process APs, and return the outcome to the NSW Portal. GDVC is also operating an automated clearance system (VNACCS/VCIS) which is used for customs clearance of imported and exported goods. This automated clearance system has been deployed in 100% of its customs units, used by 99% of businesses and handling about 99.6% of declarations[14]. Generally, for each line ministry, its own individual system is still stable. However, from the business perspective as service users, due to lack of the consistency and information sharing, businesses have to spend more time and money on the files and documents for different APs, even though many of them are duplicated.

Operations of NSW also show that a dispersed infrastructure model makes it difficult to manage and upgrade software, undermines integration efforts, and thus give rise to errors all the time when enterprises conduct procedures on the system. Ideally, a well-functioning NSW system would ensure that all the integrated procedures will be handled in an electronic environment, and enterprises, during the course of implementation, do not have to provide any documents either in hardcopies or other than what is regulated. However, this is not the case with regard to the majority of APs.

For that reason, GDVC should propose solutions to upgrade and convert the current dispersed systems of ministries and agencies into a single centralized one. A centralized NSW would accelerate connections, promote sharing of information and processing results, and at the same time would generate a central State database serving the implementation of APs and as a source of consolidated data, reports and statistics. This would be am abundant and highly accurate information source which the Government can rely on for its management and governance job.

13 Ministry of Finance. (2019). Narratives on the overall project on the building and development of a central IT system in support of the implementation of NSW.

14 Online Customs (2020). Integration of customs public services on NSW. Visited on 27 March 2020 at: https://haiquanonline.com.vn/tich-hop-dich-vu-cong-cua-hai-quan-len-cong-dich-vu-cong-quoc-gia-121509-121509.html

The extent of centralization of the technical infrastructure: infrastructure (server, network, transmission line), databases and support services set up or installed at the central data center. A centralized database should consist of the following information components:

- Electronic administrative records.
- Decisions of state management agencies in implementing APs in electronic form.
- Records of the entities (organizations, businesses and people) conducting APs.
- Transaction history (status of record processing).
- Information and documents exchanged with the countries relating to the implementation of such APs as origin certification, customs declaration, SPS certification etc.
- Database of goods descriptions via connection and information exchange with manufacturers.
- Subjects of entry/exit, vehicles upon entry and exit or transporting imported and exported goods and other relevant data information.

A centralized system will enable GDVC to actively perform necessary upgrades to the system's hardware and software.

In addition, this centralized database needs to record and save the time of performance of transactions on the Portal by each enterprise conducting APs. This information is very helpful for monitoring and evaluating the implementation of APs on the Portal, thereby contributing to the improvement of the performance of the Portal on a regular and timely basis.

Perform technical upgrades and regular maintenance to ensure stable operation of the NSW Portal, increase the process and deal with technical problems

Over the recent years, GDVC has made great efforts to improve the operational efficiency of the NSW Portal. However, the increasing number of new accounts, new records and new APs has put a lot of pressure on the Portal and led to multiple technical errors. As analyzed in Part 2, what businesses expect most from GDVC is that it will soon improve the stability of the NSW Portal and thus facilitate uninterrupted access to the Portal even at peak time. The technical division operating the NSW Portal should review and troubleshoot all the problems of the system software leading to the errors that enterprises have to face while carrying out procedures, such as inability to log in, to print records or to send digital signature.

In addition to a technical review, software optimization and upgrades to system's hardware are also crucial to enable the NSW Portal to accelerate data processing and making it faster in order to save time for businesses.

At the same time, the Portal should also enable businesses to upload larger files, through its file receiving system, to save businesses from the need to split their files into smaller parts.

Also, the respondent businesses also expect that the Portal's interface/look and feel would be improved and better support their information lookups. The NSW Portal also needs to regularly update information about administrative reforms and the number of new APs being integrated. It should also have an additional function to enable businesses to monitor and rate the quality of public services offered by State agencies.

RECOMMENDATION ON THE FACILITATION DURING THE IMPLEMENTATION OF ADMINISTRATIVE PROCEDURES ON THE NSW PORTAL

Speeding up the implementation of new APs on the NSW

As of end of 31 January, 2020, there still remains a number of ministries and agencies that have not yet integrated their APs into the NSW as targeted by Committee 1899. Integrating APs into the Portal is generally slow and many procedures are still in progress, not yet fully connected to NSW.

According to the list of 61 APs that need to be implemented in 2019, the Ministry of Industry and Trade needs to implement 6 more procedures. The Ministry of Agriculture and Rural Development needs to add 15 procedures more. The Ministry of Defense has 11 procedures that need integrated. Meanwhile, the Ministry of Health also has 14 procedures that have not yet been started.

Thus, ministries and agencies should promptly coordinate with GDVC in fulfilling the plan for implementation of APs in 2019-2020 under Decision 1254/QD-TTg, its amending Decision, and conclusions of the Committee 1899. Ministries and agencies, among other things, should urgently review the legal basis, technical requirements, prepare resources, build and upgrade the IT system, and coordinate with the standing body in order to implement all procedures on NSW as soon as possible.

Continued strengthening of administrative procedure reform, and reducing compliance costs for businesses

Analysis in Part 3 has shown the elements of time, costs and other changes that can be improved as a result of NSW. Ministries/industries should continue giving priority to administrative procedure reforms to better facilitate businesses. It is recommended that line ministries coordinate with GDVC in doing the following:

Ensure transparency of information

Ministries and agencies need to coordinate with GDVC in providing transparent information about the progress of handling of APs and uploading the information on NSW for businesses. The most useful information for traders includes those about the time limit for procedure processing, history of records receiving/processing, and other information which explains why their file is invalid (as the case may be) in order to have appropriate improvements. When a file is rejected, such rejection needs to be justified clearly by relevant legal documents so that businesses can refer to for implementation.

Businesses also expect to know, on the NSW Portal, name of the officer in charge of an administrative procedure and a public-service phone number, because in many circumstances they do not know who to contact for inquiries. If the information is more transparent, businesses will not have to file declarations online and at the same time to send their people directly to the specialized management agency for clarification, and this would save a lot of time and costs for enterprises.

Ministries and agencies need to have rules on email responses to businesses' questions. Responses should be prompt, for example, within 24 hours, instead of having no reply or replying within several days after.

Use consistent forms/templates

Ministries need to agree on consistent and uniform forms and templates which are easy for enterprises to understand. It is also necessary to review the entire process and data sharing practices among ministries in order to avoid the need to prepare different kinds of forms and templates which is very time-and cost-consuming to enterprises.

The Government, ministries and local governments need to establish an integrated and shared e-database to minimize circumstances when different ministries and agencies can request for duplicated documents/files from enterprises. Documents issued by State agencies should be uploaded in an e-database which relevant State agencies can immediately refer to without having to ask enterprises for the same documents.

Ministries (including their General Departments and Departments) and local authorities need to open up "data warehouses" that are up and running at their premises in order to create a shared data warehouse where other parties can easily access to the shared data.

Strictly apply e-documents/records

In order to smoothly conduct APs on the NSW Portal and reduce costs for businesses, ministries should be keen on IT applications during the implementation of APs on the Portal. It is necessary to completely eliminate "semi-manual" practices in handling APs on the NSW Portal to save businesses from having to file e-declarations and to submit paper documents at the same time. These "semi-manual" practices, if prolonged, would undermine the NSW Portal and waste traders' substantial time and costs.

Review the administrative procedure implementation process to reduce time and costs

Ministries should continue their tasks of reviewing and improving the inadequate and troublesome regulations. In the spirit of 2020 Resolution 02/NQ-CP[15] and Resolution 139/NQ-CP[16] , ministries should reduce the compliance costs for businesses focusing on streamlining APs and reducing unnecessary paperwork.

15 Government (2020). Resolution 02/NQ-CP on the continued implementation of the key solutions and duties to improve the business environment and enhance national competitiveness in 2020

16 Government (2018). Resolution 139/NQ-CP issuing an action plan on cost reduction for businesses.

ANNEX 1 Implementation of APs on the NSW for 2016 – 2020 period

Notes to the columns: (1) Number of procedures already implemented as of 15 December 2019; (2) Number of procedures that need to be implemented in 2019; (3) Number of procedures connected in 2019; (4) Number of procedures that need to be further connected; (5) Number of procedures that need to be implemented in 2020 under Decision 1254/QĐ-TTg; (6) Total number of procedures for the entire period 2016 – 2020 under Decision 1254/QĐ-TTg;

No.	Ministry	(1)	(2)	(3)	(4)	(5)	(6)
1	The Ministry of Public Security	2	2	0	2(i)	0	4
2	The Ministry of Industry and Trade	11	6	0	6(ii)	0	17
3	The Ministry of Transport	72	0	0	0	0	72
4	The Ministry of Science and Technology	6	0	0	0	0	6
5	The Ministry of Agriculture and Rural Development	17	15	2	13(iii)	3	33
6	The Ministry of Defense	10	11	0	11(iv)	1	22
7	The Ministry of Natural Resources and Environment	16	0	0	0	1	17
8	The Ministry of Information and Communications	5	3	3	0	0	5
9	The Ministry of Culture, Sports and Tourism	1	0	0	0	5(vi)	6
10	The Ministry of Health	28	24	10	14(v)	0	42
11	State Bank of Vietnam	1	0	0	0	4	5
12	VCCI	1	0	0	0	1	2
13	Inter-ministries: led by the Ministry of Transport, in coordination with the Ministry of Health, The Ministry of Defense, the Ministry of Agriculture and Rural Development, the Ministry of Health	15	0	0	0	0	15
14	Procedures for aircrafts upon exit, entry, transit (aviation) Inter-ministries: The Ministry of Transport, the Ministry of Health, the Ministry of Public Security, the Ministry of Agriculture and Rural Development, and the Ministry of Health	3	0	0	0	0	3
15	Inter-ministries: led by the Ministry of Health in coordination with the Ministry of Transport	0	0	0	0	1	1
		188	**61**	**15**	**46**	**16**	**250**

Notes: (i) proposed to withdraw 2 procedures; (ii) in progress; (iii) proposed to withdraw 3 procedures; (iv) 6 in progress, proposed to withdraw 5 procedures; (v) not yet started; (vi) proposed to withdraw. Updates as of 15 March 2020.
Source: The Ministry of Health, Report on the 2019 Work results and 2020 plans/directions to implement NSW, ASEAN Single Window, improvement of specialized inspections and trade facilitation.

ANNEX 2 Selected statistics on the time for implementation of APs via NSW

Administrative procedures	*Via NSW*						*By traditional method*					
	Min	Median	Mean	Max	CI 95% LB	CI 95% UB	Min	Median	Mean	Max	CI 95% LB	CI 95% UB
Issuing C/O	1.00	1.00	3.01	100.00	2.30	3.71	1.00	2.00	4.96	200.00	3.70	6.23
Issuing licenses to import/export industrial precursor chemicals	0.00	2.00	5.28	365.00	2.43	8.14	1.00	5.00	7.05	240.00	5.40	8.70
Issuing quality, technical safety and environmental protection certificates for imported motor vehicles	1.00	3.00	3.45	15.00	2.71	4.18	1.00	5.00	6.29	30.00	4.83	7.75
Issuing quality, technical safety and environmental protection certificates for special-use vehicles	1.00	3.00	4.42	25.00	3.36	5.48	1.00	5.00	6.86	30.00	5.33	8.40
Issuing Phytosanitary certificates for plants imported, in transit and domestically transported	1.00	1.00	2.63	30.00	2.16	3.10	1.00	2.00	3.51	30.00	3.11	3.91
Registration for quality examination and verification of imported animal feed	1.00	3.00	4.57	60.00	3.08	6.06	1.00	5.00	7.24	90.00	4.99	9.49
Issuing animal health certificates for imported terrestrial animals and animal products	1.00	2.00	2.59	7.00	2.31	2.86	1.00	4.00	4.28	14.00	3.84	4.72
Quality examination of imported goods	1.00	2.00	2.67	30.00	2.24	3.10	1.00	3.00	4.38	38.00	3.76	5.00
Issuing licenses to import medical equipment and appliances	1.00	30.00	34.71	120.00	28.65	40.76	1.00	30.00	41.93	150.00	35.15	48.72
Issuing receipt numbers for the notification of imported cosmetic products	1.00	14.00	15.58	60.00	12.29	18.88	1.00	13.00	14.72	45.00	12.32	17.11
Procedures for Vietnamese and foreign sea-going ships to enter international seaports	1.00	1.00	1.33	5.00	1.07	1.60	1.00	2.00	2.51	12.00	1.79	3.24
Procedures for Vietnamese and foreign sea-going ships to depart from international seaports	1.00	1.00	1.29	5.00	0.87	1.70	1.00	2.00	2.00	5.00	1.48	2.52

Min: Minimum value, Max: Maximum value, Mean: average value, Median: median value, CI 95% LB: 95% of confidence interval lower bound, CI 95% UB: 95% of confidence interval upper bound.
Data generated based on the information collected from businesses during the survey.

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