



REPORT

BUSINESSES' SATISFACTION WITH IMPORT-EXPORT ADMINISTRATIVE PROCEDURES

Findings from the 2020 Survey

RESEARCH TEAM

Dau Anh Tuan
Pham Ngoc Thach
Le Thanh Ha
Bui Linh Chi
Truong Duc Trong
Vu Ngoc Thuy
Luu Ngoc Anh



REPORT

BUSINESSES' SATISFACTION WITH IMPORT-EXPORT ADMINISTRATIVE PROCEDURES

Findings from the 2020 Survey

June 2021



Acknowledgement

“Businesses' Satisfaction with Import-Export Administrative Procedures: Findings from the 2020 Survey” report conducted by Vietnam Chamber of Commerce and Industry (VCCI) in collaboration with General Department of Vietnam Customs (GDVC)- Ministry of Finance (MOF) under the support of the United States Agency for International Development (USAID) aims at identifying shortcomings and constraints of businesses in importation/exportation and subsequently, recommendations will be offered to line ministries and agencies to amend legal requirements and improve the enforcement effectiveness, and facilitate trade for the business community.

The report was produced under the direction of Dr. Vu Tien Loc, Chairman of the Vietnam Chamber of Commerce and Industry, Vice Chairman of the Prime Minister's Advisory Council for Administrative Procedure Reform; Mr. Nguyen Van Can, General Director and Mr. Hoang Viet Cuong, Deputy Director General, General Department of Vietnam Customs, Ministry of Finance; with great support from Mr. Claudio Dordi, Chief of Party, USAID Trade Facilitation Program (the Program). Mr. Alistair Gall, Senior Trade Facilitation Expert and Ms. Le Thu Hien, the Program's Private Sector Engagement Specialist. They have provided various valuable comments and feedback during the survey and report development, and at the same time supported the management of this activity. Experts from the Legal Department of the Vietnam Chamber of Commerce and Industry also made contribution to the Report: Mr. Dau Anh Tuan (Head of the Legal Department), Mr. Pham Ngoc Thach, Mr. Truong Duc Trong and Ms. Le Thanh Ha. Ms. Bui Linh Chi and Ms. Vu Ngoc Thuy provided support in managing this activity and conducting the survey.

This report could have not been completed without the tremendous support of experts from the General Department of Vietnam Customs: Mr. Luong Khanh Thiet (Deputy Head of the Customs Reform and Modernization Board, Mr. Nong Phi Quang (Deputy Head of the Customs Reform and Modernization Board), Mr. Kim Long Bien (Director of the Legal Department), Ms. Nguyen Thi Hong Tuyet, Ms. Pham Thuy Quynh and Ms. Hoang Thu Huyen (Customs Modernization and Reform Board) and other experts from the General Department of Vietnam Customs. In particular, this Report was produced by using data collected from businesses through the questionnaires which had been finalized thanks to the valuable comments from the Ministry of Industry and Trade, the Ministry of Transport and the Ministry of Natural Resources and Environment.

Finally, we would like to express our sincere appreciation to businesses for their valuable time to participate in the survey, even though 2020 was a particularly difficult year due to the COVID-19 pandemic and natural disasters taking place in many regions in Vietnam. The opinions of each business reflected on the responded questionnaire sent to VCCI were valuable information for us to analyze, consolidate and report to competent government agencies to adjust and address shortcomings, subsequently, improving enforcement efficiency, facilitating import and export activities of the business community.

Abbreviation

ASEAN	Association of Southeast Asian Nations
CO	Customs officer
CA	Customs Authority
FDI	Foreign Direct Investment
SOE	State-owned Enterprise
PCA	Post-Clearance Audit
Imp.	Import
HCMC	Ho Chi Minh City
AP	Administrative Procedures
CP	Customs Procedures
CCP	Customs Clearance Procedures
The Program	The USAID Trade Facilitation Program
SM	Specialized Management
GQM	Goods Quality Management
FSM	Food Safety Management
SI	Specialized Inspection
VNACCS	Vietnam Automated Customs Clearance System
VASSCM	Vietnam Automated System for Seaport Customs Management
VCCI	Vietnam Chamber of Commerce and Industry
Exp.	Export
Imp-Exp	Import-Export

Table Of Content

ACKNOWLEDGEMENT		003
EXECUTIVE SUMMARY		012
INTRODUCTION	Background	026
	Methodology	029
	Some Characteristics of the Businesses Participating in the Survey	032
ACCESS TO INFORMATION WITH REGARD TO IMPORT-EXPORT ADMINISTRATIVE PROCEDURES	Methods to Access Information on Administrative Procedures Commonly Used by Businesses	038
	The Level of Satisfaction of Businesses with the Methods of Accessing Information	039
	Level of Response to Requests for Information	041
	Difficulties and Problems in Accessing Information on Customs Administrative Procedures and Evaluation of Q&A Performance	045
IMPLEMENTATION OF CUSTOMS ADMINISTRATIVE PROCEDURES	General Assessment	051
	Customs Clearance Procedures	057
	Tax Administration Procedures	064
	Post-Clearance Audit	071
	Procedures for Inspecting and Determining HS Codes and Procedures for Customs Value Consultation	077
	Procedures Related to the Inspection of Processing and Export Manufacturing Establishments	083
	Procedures for Physical Inspection of Import and Export Goods Via Container Scanners	087
	Support from Customs Authorities	089
PROCEDURES FOR SUPERVISION OF GOODS		094
SERVICE BY CUSTOMS OFFICERS	Customs officers' Discipline	109
	Customs Officers' Professional Knowledge and Expertise	111
	Work Skills	113

OTHER ASSESSMENTS	Some Specialized Management and Inspection Procedures	118
	Informal Charges in Import and Export Procedures	138
RECOMMENDATIONS	Areas for Improvement	145
	Recommendations to Customs Authorities	147
	Recommendations to Specialized Management and Inspection Agencies	149
ANNEXES	Annex 1 Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers	152
	Annex 2 Some Assessment Indicators on the Efficiency in Information Provision and Customs Law Dissemination	158
	Annex 3 Some Assessment Indicators on Satisfaction Level of Enterprises with Customs Clearance Procedures	162
	Annex 4 Some Assessment Indicators on Satisfaction Level of Enterprises with Tax payment Procedures	166
	Annex 5 Some Assessment Indicators on Satisfaction Level of Enterprises with Post-Clearance Audit Procedures	168
REFERENCES		169



Figures

<i>Figure 1.1</i> Economic Sectors and Main Business Lines of the Businesses Participating in the Survey	032
<i>Figure 1.2</i> Capital Size and Import and Export Value of Businesses	033
<i>Figure 1.3</i> 10 Main Import and Export Markets of Businesses	034
<i>Figure 1.4</i> Number of Years in Operation of Businesses and the Position of the Respondent	035
<i>Figure 2.1</i> Methods to Access Information on Administrative Procedures Commonly Used by Businesses	038
<i>Figure 2.2</i> The Level of Satisfaction of Businesses with the Methods of Accessing Information on Administrative Procedures	039
<i>Figure 2.3</i> The Level of Satisfaction of Businesses with the Methods of Accessing Information on Administrative Procedures over Time	040
<i>Figure 2.4</i> Statements on the Accessibility to Information on Customs Administrative Procedures	041
<i>Figure 2.5</i> Percentage of Businesses Agreeing with the Statements on the Accessibility to Administrative Procedure Information - Changes over Time	042
<i>Figure 2.6</i> Percentage of Businesses Having Difficulties in Obtaining Information on Administrative Procedures (%) by Economic Sector, Capital Size and Number of Years of Experience in Carrying out Customs Procedures	043
<i>Figure 2.7</i> Percentage of Businesses Having Difficulties in Obtaining Information on Administrative Procedures - Comparing Private and FDI Businesses (%)	044
<i>Figure 2.8</i> Agencies from Which Businesses often Ask for Help with Regard to Information on Administrative Procedures	045
<i>Figure 2.9</i> Percentage of Businesses Satisfied with the Support in Obtaining Information on Customs Administrative Procedures (%)	046
<i>Figure 2.10</i> Percentage of Businesses Satisfied with the Support in Obtaining Information on Customs Administrative Procedures over Time (%)	047
<i>Figure 3.1</i> Level of Easy in Implementation of Selected Customs Administrative Procedures	051
<i>Figure 3.2</i> Percentage of Businesses Viewing Procedures as Easy to Carry Out – Comparison over Years	052
<i>Figure 3.3</i> Level of Easy to Carry out Customs Clearance Procedures	053
<i>Figure 3.4</i> Level of Easy to Carry out Tax Administrative Procedures	054
<i>Figure 3.5</i> Level of Easy to Carry out Post-Clearance Audit Procedures	055
<i>Figure 3.6</i> Level of Easy to Carry out Procedures for Handling of Administrative Violations & Complaint settlement	056
<i>Figure 3.7</i> Main Difficulties in Compliance with Document Inspection Procedure within the Customs Clearance Procedure Group	057

<i>Figure 3.8</i> Main Difficulties in Compliance with Document Inspection Procedure within the Customs Clearance procedure group, Comparison of Enterprises by Main Operation Area	058
<i>Figure 3.9</i> Main Difficulties Regarding Document Inspection in the Custom Clearance Procedure, with Comparison over Time	060
<i>Figure 3.10</i> Main Difficulties in Compliance with the Procedure for Physical Inspection of Goods in the Customs Clearance Procedure Group	061
<i>Figure 3.11</i> Main Difficulties in Compliance with the Procedure for Physical Inspection of Goods in the Customs Clearance Procedure Group	062
<i>Figure 3.12</i> Main Difficulties in the Stage of Physical Inspection of Goods of the Customs Clearance Procedure, with Comparison over Time	063
<i>Figure 3.13</i> Main Difficulties During the Tax Payment Stage of Tax Administration Procedures	064
<i>Figure 3.14</i> Main Difficulties During the Tax Payment Stage of Tax Administration Procedures, by Enterprise Type (Classified by Main Field of Activity)	065
<i>Figure 3.15</i> Main Difficulties During the Tax Payment Stage of Tax Administration Procedures over Time	066
<i>Figure 3.16</i> Main Difficulties During the Tax Refund Stage of Tax Administration Procedures	067
<i>Figure 3.17</i> Main Difficulties During the Tax Refund Stage of Tax Administration Procedures, by Enterprise Type (Classified by Main Field of Activity)	068
<i>Figure 3.18</i> Main Difficulties During the Tax Refund Stage of Tax Administration Procedures over Time	070
<i>Figure 3.19</i> Proportion of Enterprises Undergoing Post-Clearance Audit in 2020	071
<i>Figure 3.20</i> The Number of Times Enterprises Engaged in Post-Clearance Audit in the Past Months	072
<i>Figure 3.21</i> Main Difficulties Encountered When Undergoing Post-Clearance Audit	073
<i>Figure 3.22</i> Main Difficulties Faced by Different Enterprise Types (Classified by Main Field of Activity) When Undergoing Post-Clearance Audit	074
<i>Figure 3.23</i> Main Difficulties When Undergoing Post-Clearance Audit over Time	076
<i>Figure 3.24</i> Main Difficulties When Complying with Procedures for Inspecting and Determining HS Codes	077
<i>Figure 3.25</i> Main Difficulties When Complying With Procedures for Inspecting and Determining HS Codes, by Enterprise Type (Classified by Main Field of Activity)	078
<i>Figure 3.26</i> Main Difficulties When Complying With Procedures for Inspecting and Determining HS Codes	079
<i>Figure 3.27</i> Main Difficulties in Complying with Customs Value Consultation Procedures	080
<i>Figure 3.28</i> Main Difficulties in Complying With Customs Value Consultation Procedures	081
<i>Figure 3.29</i> Ease of Complying with Procedures for Inspection of Processing and Export Manufacturing Establishments, Verification of Production Capacity	083
<i>Figure 3.30</i> Evaluation of The Preparation and Submission Process of Final Accounts Based on Form No.15/BCQT-NVL/GSQL	084



<i>Figure 3.31</i> Appropriate Frequency to Produce Final Accounts Based on Form No.15/BCQT-NVL/GSQL	085
<i>Figure 3.32</i> Ease of Compliance with Procedures for Producing Final Accounts and Final Accounts of Input – Output – Inventory of Raw Materials, Supplies and Exported Goods	086
<i>Figure 3.33</i> Goods Inspection Via Container Scanners	087
<i>Figure 3.34</i> The Level of Ease in Complying with Physical Inspection of Goods via Container Scanners	088
<i>Figure 3.35</i> Did your Enterprise Seek Help from Customs Authorities?	089
<i>Figure 3.36</i> Evaluation of Support from Customs Authorities	090
<i>Figure 3.37</i> Evaluation of Support from Customs Authorities - by Customs Department	091
<i>Figure 3.38</i> Evaluation of Support from Customs Authorities over Time	092
<i>Figure 4.1</i> Proportion of Enterprises that Have Undergone Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via the Automated Customs Management System	097
<i>Figure 4.2</i> Ease of Compliance with Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via the Automated Customs Management System	098
<i>Figure 4.3</i> Comparison between Two Methods of Goods Monitoring by Economic Sector	099
<i>Figure 4.4</i> Comparison between Two Methods of Goods Monitoring by Field of Activity	100
<i>Figure 4.5</i> Specific Difficulties when Undergoing Procedures for Confirmation of Goods Passing through the Customs Supervision Zone via the Automated Customs Management System	101
<i>Figure 4.6</i> Specific Difficulties when Undergoing Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via VASSCM	102
<i>Figure 4.7</i> Specific Difficulties when Undergoing Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via VASSCM, by Main Field of Activity	103
<i>Figure 4.8</i> Level of Ease when Complying with Monitoring Procedures Related to “Independent Transport, Transit, Transshipment, Temporary Import - Re-export, Temporary Export- Re-Import”	104
<i>Figure 4.9</i> Some Specific Difficulties Related to Independent Transport, Transit, Transshipment, Temporary Import - Re-Export, Temporary Export - Re-Import	105
<i>Figure 5.1</i> Ratings of Customs Officers’ Discipline Performance	109
<i>Figure 5.2</i> Percentage of enterprises assesses Customs Officers' Discipline Performance as "Good" or "Very Good"	110
<i>Figure 5.3</i> Ratings of Customs Officers’ Professional Knowledge and Expertise	111
<i>Figure 5.4</i> General Ratings of Customs Officers' Professional Knowledge and Expertise - Progressive Comparison	112
<i>Figure 5.5</i> Ratings of Customs Officers’ Work Skills	113
<i>Figure 5.6</i> General Ratings of Customs Officers’ Work skills - Progressive Comparison	114
<i>Figure 6.1</i> Which Specialized Management and Inspection Procedures Do Enterprises Usually Carry Out?	119

<i>Figure 6.2</i> The Level of Ease in Carrying out Licensing and Equivalent Documentation Procedure in Cargo Quality Management	120
<i>Figure 6.3</i> The Level of Ease in Carrying Out Licensing and Equivalent Documentation Procedure in Cargo Quality Management over Time	121
<i>Figure 6.4</i> The Level of Ease in Carrying Out Conformity Declaration Procedure in Cargo Quality Management	122
<i>Figure 6.5</i> The Level of Ease in Carrying Out Conformity declaration Procedure in Cargo Quality Management over Time	123
<i>Figure 6.6</i> The Level of Ease in Carrying Out Quality Inspection Procedure in Cargo quality Management	124
<i>Figure 6.7</i> The Level of Ease in Carrying Out Quality Inspection Procedure in Cargo Quality Management	125
<i>Figure 6.8</i> The Level of Ease in Carrying Out Licensing and Equivalent Documentation Procedure in Food Safety Management	126
<i>Figure 6.9</i> The Level of Ease in Carrying Out Licensing and Equivalent Documentation Procedure in Food Safety Management over Time	127
<i>Figure 6.10</i> The Level of Ease in Carrying Out Conformity Declaration Procedure in Food Safety Management	128
<i>Figure 6.11</i> The Level of Ease in Carrying Out Conformity Declaration Procedure in Safety Management	129
<i>Figure 6.12</i> The Level of Ease in Complying Food Safety Inspection Procedure in Food Safety Management	130
<i>Figure 6.13</i> The Level of Ease in Complying with Food Safety Inspection Procedure in Food Safety Management over Time	131
<i>Figure 6.14</i> The Level of Ease in Complying with Other Specialized Management Areas	133
<i>Figure 6.15</i> The Level of Ease in Complying with Other Specialized Management Areas over Time	134
<i>Figure 6.16</i> The Overlap in Specialized Inspection is Causing Time and Cost-Consuming for Enterprises	137
<i>Figure 6.17</i> Percentage of Enterprises Reporting Unofficial Payment in Carrying Out Import - Export Administrative Procedures (%)	138
<i>Figure 6.18</i> Percentage of Enterprises Reporting Informal Payment in Carrying Out Import - Export Administrative Procedures (%) - Progressive Comparison	139
<i>Figure 6.19</i> Total Amount of Informal Charges in Proportion to the Shipment Value (%)	140
<i>Figure 6.20</i> Some Forms of 'Discrimination' without Informal Charges	141
<i>Figure 7.1</i> Overall Satisfaction of Enterprises Towards a Number of Agencies in Charge of Import - Export Procedures	145
<i>Figure 7.2</i> Areas for Improvement	146



Tables

<i>Table 1.1</i> Number of Respondents	031
<i>Table 6.1</i> Some Major Difficulties in Complying with Specialized Inspection - Comparing by Line Ministries and Sectors	135

Boxes

<i>Box 3.1</i> Some Practical Difficulties of Enterprises when Preparing Documents and Complying with Document Inspection Procedure	059
<i>Box 3.2</i> Some Practical Difficulties of Enterprises when Complying with Tax Administration Procedures	069
<i>Box 5.1</i> Some Aspects related to Customs Officers needed to be Improved	115
<i>Box 6.1</i> Some Inadequacies still Existed in Specialized Management and Inspection Procedures	132





EXECUTIVE SUMMARY

Access to Information with Regard to Import-Export Administrative Procedures	015
Implementation of Customs Administrative Procedures	016
Goods Supervision Procedures	018
Service Quality of Customs Officers	019
Specialized Inspection	020
Informal Charges in Implementating Import/Export Administrative Procedures	021
Recommendations of the Bussinesses	022

Import/Export Administrative procedures in the last 10 years have gone through remarkable changes, of which various reforms have been made to facilitate trade for businesses, effectively support the international economic integration process of Vietnam. This is also an area where the General Department of Vietnam Customs - Ministry of Finance and the Vietnam Chamber of Commerce and Industry have been actively working together over the years to collect feedback and comments from the business community with respect to administrative procedure reform in order to complete policies and laws and improve implementation efficiency. The 2020 survey of businesses' satisfaction with import and export administrative procedures conducted by GDVC in collaboration with VCCI and USAID was a continuation of previous efforts. With responses from 3,657 businesses from various fields such as import-export business, export manufacturing, outsourcing, export processing, logistics services and customs brokers, the survey results illustrated the current situation of implementing import-export administrative procedures in general; evaluating the efficiency of customs procedures conducted by Local Customs Departments in particular; at the same time, providing businesses' perspectives on different aspects related to import-export administrative procedures. The following section presents the key findings of the report.



Access to Information with Regard to Import-Export Administrative Procedures

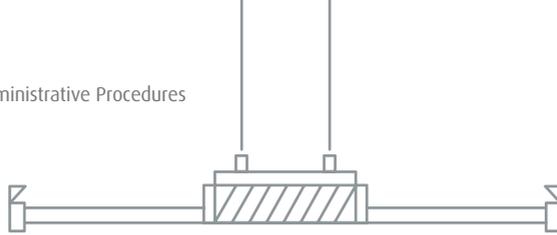
Businesses have been using multiple methods to access information on import and export procedures. The portal of GDVC, the website of Local Customs Departments and the National Trade Portal were the three most popular information channels used by businesses. Businesses also used traditional methods to get access to the information such as phone call, face-to-face meetings at customs offices, training courses or leaflets and publications.

Online access to information was more favored than traditional methods of providing information. Nearly 80% of businesses were satisfied with the information provided on the portal of GDVC. The websites of local customs departments and the National Trade Portal also achieved a businesses' satisfaction rate of over 70%. Businesses were less satisfied with traditional methods of providing information such as phone calls, sending written request, training, publications and leaflets. Of which, 55.6% of businesses were satisfied with information access via leaflets and publications - the lowest among all information access methods mentioned in the survey.

Compared to the survey results in 2018, the satisfaction level of businesses with information access methods has been improved. Although traditional information access methods were not the priority for businesses, they have been improved significantly in the last 2 years, indicating an increased number of businesses satisfied with these methods over time.

Providing simple and easy-to-understand information and explanation would bring various benefits to businesses. Approximately 11% of businesses believed that information on administrative procedures was not easy to understand, and particularly, FDI businesses which had been in operation for a long time and had high import and export values expressed more concerns about this issue than other groups of businesses. However, it was worth noting that overall, businesses agreed that compared to previous years, information was more available and easier to find and it was provided in a more consistent and faster manner, and the forms were easier to fill out.

About 38% of businesses still encountered difficulties and problems in searching for information on import and export procedures, a sharp decrease compared to the rate of 54% in 2015. When facing difficulties, most businesses often looked for help from the Customs Branches first, and then the Provincial-level Customs Departments, GDVC and other units. The percentages of businesses satisfied with the responses from Customs Branches and Provincial-level Customs Departments were 74% and 72%, respectively, followed by GDVC (63%). The percentages of the remaining units satisfied with the responses did not differ much, staying around 62%. These figures have been improved compared to the survey results in 2018.



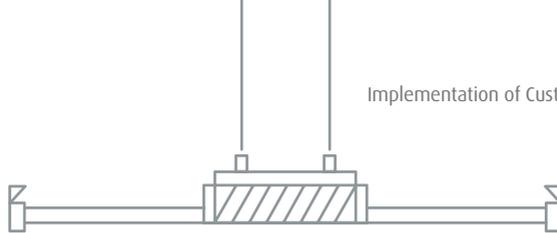
Implementation of Customs Administrative Procedures

There was a discrepancy in the level of convenience for businesses to comply with customs administrative procedures. Two procedures "customs declaration (group of customs clearance procedures)" and "duty payment (group of duty administration procedures)" were considered as "easier to do" by many businesses. Meanwhile, "document examination (group of customs clearance procedures)", "duty refund/no duty collection (group of duty administration procedures)" and "physical inspection of goods (group of customs clearance procedures)" were the three most difficult procedures for businesses. Comparing the 2020 survey results with the ones in 2015, there was a significant improvement in the percentage of businesses evaluating that it was easy to comply with the procedures.

The frequent change of laws and regulations was the most challenging issue for businesses when they carried out customs clearance administrative procedures. Specifically, 24.2% of businesses carrying out document examination and 10.3% of businesses carrying out physical inspection of goods said that they encountered this problem. It was reported more by logistics companies and customs brokers. Other common issues when businesses carried out procedures for document examination and physical inspection of goods were "having to print and submit declarations and other documents in the customs dossiers," "the inconsistent coordination among Customs and related agencies," and "the document processing time is longer than required." However, a very positive point was that the number of businesses facing these difficulties dropped significantly in the 2020 survey compared to the survey results in 2018.

Similar to customs clearance procedures, businesses continued to report the frequent change of regulations was an obstacle for the compliance with duty administration regulations. 9.8% of businesses reported this problem with regard to regulations on duty payment and 12.4% of businesses mentioned it with regard to duty refund procedures. The problem of "inconsistent coordination among Customs and other relevant agencies" and "Customs officers do not provide sufficient instruction" were also reported, but the number of businesses encountering such problems were lower. The trend of positive changes over time continued to take place when the percentage of businesses facing the aforementioned issues decreased compared to 2018.

For post-clearance inspection procedures, a typical business went through this process once in 2020 and the typical problem they encountered was the longer inspection time than required or the duplicated inspection of the same shipment. The problem of "inspection time is longer than required" occurred most frequently for logistics companies and customs brokers. Meanwhile, the problem of "post-clearance inspection branch inspects shipments that have been inspected by the Customs Branch at the border gate" occurred more often for export processing businesses and import-export businesses. Import-export businesses also often faced the problem of "being required to provide additional information and documents that are not officially required" and "overlapping/duplicated inspection" Compared to the results in 2018, the problem of "overlapping/duplicated inspection" and "inspection time is longer than required" have been improved. Whereas, the fact that businesses were "required to provide additional information and documents that are not officially required" continued to occur and there was not much change compared to 2018.



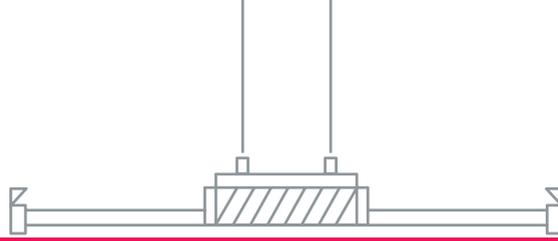
Implementation of Customs Administrative Procedures

Businesses also faced many difficulties in determining HS codes or complying with consultation procedures for customs valuation. Businesses faced more difficulties in determining HS codes in the pre-declaration stage. Unlike the customs declaration stage, during customs clearance and after customs clearance, the number of businesses facing difficulties in determining HS codes in the pre-customs declaration stage did not drop compared to 2018 results, but instead increased in 2020. Meanwhile, regarding consultation procedures for customs valuation, businesses often faced difficulties during customs declaration and customs clearance stages. At these stages of customs valuation consultation procedure, the 2020 survey results did not show any significant improvement compared to 2018. However, a sign of positive changes over time can be observed for the procedures at the post-clearance inspection stage.

The 2020 survey also examined procedures related to the inspection of outsourcing facilities, export manufacturing facilities. *Most businesses believed that complying with inspection procedures for outsourcing facilities and export manufacturing facilities was not too difficult, and the convenience level was neither difficult nor easy.* Businesses also provided information on the process of preparing and submitting financial statements using form No.15/BCQT-NVL/GSQL. The majority of businesses rated the level of convenience as “neither difficult nor easy” (69.7%), but the percentage of businesses facing difficulties (14.2%) was nearly equivalent to that of businesses experiencing easy procedures (16.1%). The majority of businesses recommended that the appropriate periodic time to make financial statements using the form No.15/BCQT-NVL/GSQL should be once a year to mitigate the compliance costs for businesses. Similarly, 72.4% of businesses thought that the level of convenience in conducting procedures for checking financial statements, inventories of raw materials, supplies and exported goods was neither difficult nor easy and 13.7% of businesses still faced difficulties.

Approximately 2/3 of businesses participating in the survey said that they were not aware of that they did not have to do more than 1 inspection of imports and exports using scanners each month and that it was not too difficult to comply with the requirement of physical inspection of goods using scanners. 62.9% of businesses stated that the level of convenience was “neither difficult nor easy” and only 4.3% of businesses experienced difficulties in practice.

Regarding the aforementioned customs administrative procedures, 87.2% of businesses said that Customs authorities provided effective support, while around 85.3% stated that Customs authorities supported them promptly. Overall, this result reflected a trend of positive changes over time as 2020 was the year with the most positive results from 2015 to the time of the survey.

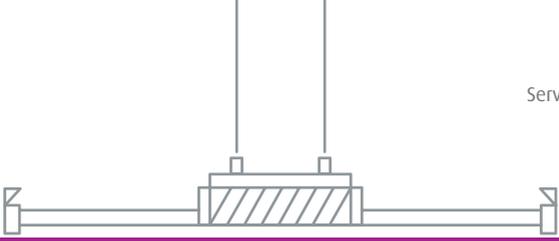


Goods Supervision Procedures

56% of businesses carried out procedures for goods going through the customs supervision area via VASSCM system in 2020, a significant increase from 43% in 2018. *Businesses using the Viet Nam Automated System for Seaport Customs Management (VASSCM) stated that it was much more convenient than the traditional method.*

They also reported some problems encountered when using the VASSCM system. The biggest challenge for businesses was the "frequent error warnings from the system (encountered by 25.5% of businesses), "lack of coordination between customs and other agencies" (10.8%) and "not disclosing information and the implementation process" (5.7%).

Businesses also provided a more detailed evaluation of how convenient it was to carry out monitoring procedures with regard to "independent transport, transit, transshipment, temporary import - re-export, temporary export - re-import". Independent transport was rated with the highest level of convenience (21.7% chose easy/very easy), followed by temporary import - re-export (15.8%), and transshipment (15.7%), transit (15%) and temporary export - re-import (14.7%). The main challenge in the independent transport stage was the frequent malfunction of the IT system. Meanwhile, the main challenge in all 4 stages of transit, transshipment, temporary import - re-export, temporary export - re-import was about the inconsistent coordination between customs and other agencies.



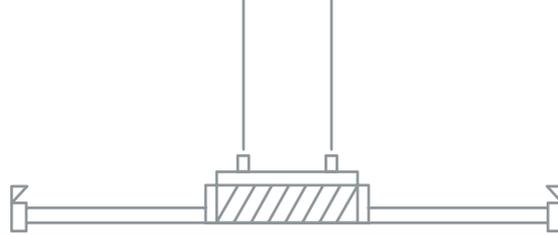
Service Quality of Customs Officers

The 2020 survey examined businesses' satisfaction with the discipline, expertise and task handling skills of customs officers at the customs department of the province or city where businesses often had to carry out customs procedures.

Regarding the discipline of customs officers, businesses highly appreciated customs officers for their professionalism and courtesy during contacts (53% of businesses agreed on it), properly follow their authority (51%), impartial and dedicated when performing duties (47%), consider businesses as partners (46%), and finally, handle tasks quickly and accurately (45%). These results have been improved compared to the 2018 survey.

Regarding the expertise of customs officers, businesses appreciated it the most in the area of document examination (customs clearance), followed by duty payment (duty administration procedures) and physical inspection of goods (customs clearance). For some other areas which were normally difficult to receive positive feedback from businesses such as administrative violation handling and complaint settlement, the expertise of customs officers in these two areas were still rated as Good/Fairness by 58% and 54% of the businesses, respectively. These results were also more positive than those in 2018, in which there was a significant improvement in the businesses' satisfaction with the expertise of customs officers in complaint settlement and administrative violation handling.

In terms of task handling skills of customs officers, majority of businesses rated it as Good/Fair. Accordingly, the highest percentages of the businesses selecting Good/Fair went to document examination, physical inspection of goods (customs clearance) and duty payment (duty administration procedures). These results were also better than those in 2018.



Specialized Inspection

The 2020 survey provided evaluation on specialized inspection in two main areas: goods quality management and food safety management.

Regarding the procedure for granting permits and equivalent documents in goods quality management, businesses got the best experience in conducting procedures of the Ministry of Industry and Trade (agreed by 41.6% of businesses), followed by the Ministry of Science and Technology (28, 4%). Meanwhile, businesses encountered challenges the most while carrying out procedures of the Ministry of Transport (17.1%).

Regarding procedures for conformity declaration in goods quality management, there were not many discrepancies in the percentages of businesses stating that it was easy/relatively easy to carry out these procedures among line ministries, the highest went to the Ministry of Agriculture and Rural Development (31.7%) and the Ministry of Science and Technology (31.6%), the lowest was for the Ministry of Health (22.8%).

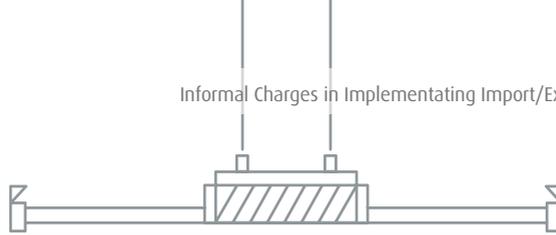
Regarding quality inspection procedures, businesses found it easiest to carry out the procedures of the Ministry of Science and Technology (30.2%), followed by the Ministry of Agriculture and Rural Development (28.3%). The Ministry of Health received the lowest percentage of businesses saying it was easy/relatively easy to carry out their procedures (19.9%).

Meanwhile, for food safety management, procedures for granting permits and equivalent documents were considered as easier at the Ministry of Agriculture and Rural Development (26%), higher than that of the Ministry of Industry and Trade (25.7%) and Ministry of Health (22.9%).

With the group of procedures for conformity declaration in the area of food safety management, 25.8%, 24.2%, 22.7% and 22.4% of businesses rated these procedures as easy to carry out at the Ministry of Industry and Trade, the Ministry of Health and the Ministry of Agriculture and Rural Development, and the Ministry of Information and Communications, respectively.

For food safety inspection procedures in the area of food safety management, the Ministry of Health received the highest percentage of businesses stating it was easy to carry out their procedures, with 28.6% of businesses agreed that the procedures were "easy" or "relatively easy". For the Ministry of Industry and Trade and the Ministry of Agriculture and Rural Development, the percentages of businesses choosing easy/relatively easy were 27% and 26.6%, respectively.

In general, the survey results showed an improvement in specialized inspection over the past 2 years. Most of the indicators had more positive results than in 2018.



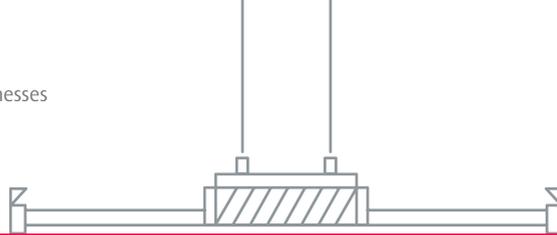
Informal Charges in Implementating Import/Export Administrative Procedures

The 2020 survey also explored the prevalence of Informal Charges in activities that required interaction between businesses and agencies handling import and export administrative procedures.

Compared to 2018, the percentage of businesses that did not pay Informal Charges increased slightly from 55.6% to 56.1%. Approximately 22.6% of businesses frankly admitted they used to make unofficial payments and 21.3% refused to provide information.

Regarding the amount of unofficial payment while carrying out import and export administrative procedures: 73.8% of businesses said that the payment was less than 0.5% of the value of the shipment and services and only 2.3% of businesses had to make unofficial payments that were higher than 10% of the value of the shipment.

38.6% of respondents were concerned that their businesses could have been discriminated if they hadn't paid unofficial fees to officers handling administrative procedures. The most common challenge for businesses if they did not pay unofficial fees was the prolonged processing time. A number of businesses were concerned that they would face difficulties in the next times or they would be required to provide explanation for documents which were not in accordance with the law or customs officers would not behave in a polite manner when working with businesses.



Recommendations of the Businesses

Regarding the general recommendations, majority of businesses expected line ministries and agencies to continue to simplify administrative procedures and promote the application of information technology. In addition, businesses also suggested that it was necessary to increase openness and transparency in the implementation of customs administrative procedures, strengthen business-customs partnerships, and improve infrastructure and equipment for the physical goods inspection, improve the competency of customs officers, and “strengthen the discipline of customs officers.

Regarding Customs authorities, the business community recommended them to simplify documents, provide more assistance in HS code determination procedures and customs valuation consultation. Businesses also recommended the substantial application of e-documents to avoid the case in which businesses had to physically do customs procedures at customs offices. In addition, businesses expected that custom authorities paid more attention to information and guidance sharing to respond to questions from businesses more effectively and a dedicated team should be assigned to provide consultancy and update information. Businesses expected that in the future, most of the procedures would be done digitally instead of combining both manual and digital procedures like at the present. Customs Branches should also have a mechanism to connect and share goods inspection history of businesses to avoid duplicate inspection.

In order to minimize Informal Charges, businesses expected the Customs authority to have mechanisms to supervise the discipline in performing administrative procedures and transparency in dealing with violators, at the same time, have an effective and practical mechanism for businesses to report and complain about harassing acts.

Regarding specialized inspection agencies, businesses expected the continuous cut down of administrative procedures in specialized inspection and minimum duplication of inspection. Many businesses also believed that the quantity of goods subject to specialized inspection should be reduced and the principle of risk management should be implemented fully and substantially to reduce the compliance costs for businesses. Increasing information sharing between specialized inspection agencies and customs authorities also needed to be improved, especially in sharing data on administrative procedures and coordinating in solving problems and providing guidance about the procedure for businesses.





ATTENTION

TEMU
MAX. WT. 30,480 KGS
TARE WT. 67,200 LBS
PAYLOAD 4,810 LBS
GCL CAP. 28,300 KGS
170 DWT

392111
22G1
MAX. GROSS WT. 30,480 KGS
MAX. TARE WT. 67,200 LBS
MAX. PAYLOAD 4,810 LBS
28,300 KGS

1-800-900-0000

01

INTRODUCTION

Background	026
Methodology	029
Some Characteristics of the Businesses Participating in the Survey	032

Background

2020 was the end of the 10-year period of implementing the "Customs Development Strategy by 2020" specified in Decision No.448/QĐ-TTg dated March 25, 2011 of the Prime Minister.

Over the past 10 years, the Customs sector has implemented various reform and modernization activities in order to successfully implement the Strategy and effectively support the process of international economic integration of Vietnam. Customs authorities at all levels have implemented a comprehensive state management reform, promoting administrative procedure reform, and fully implementing international commitments.

One of the most important changes was the transition from manual administrative procedures processing to electronic one, increasing the application of information technology in customs operations to keep up with the international Customs standards. Noteworthy changes were the implementation of the Automated Cargo Clearance System (VNACCS), Pre-arrival Processing, as well as the application of e-payment and electronic documents. The Customs sector was also the pioneer in the development of the National Single Window and the ASEAN Single Window. The application of information technology to all stages of customs operations has helped businesses carry out import and export administrative procedures much more smoothly than in the past.

Drastic changes were also seen in goods supervision operations. Goods supervision has been gradually transitioned to automatic monitoring with the application of modern equipment such as cameras, navigation seals, container scanners, etc. In addition, modern customs management methods such as risk management have been also applied comprehensively. Management mindset has gradually shifted from pre-clearance to post-clearance in order to facilitate the exportation and international trade of businesses.

Human resources management in the Customs sector has also been adjusted through the mechanism of monitoring - evaluating work performance and periodically collecting opinions to evaluate the satisfaction of businesses with customs administrative procedures. Based on the relationship between the regulator and the subjects being regulated in the past, customs authorities and businesses have now built an equal partnership, in which businesses played an important role in overseeing the law enforcement of Customs authority.

An important change in the 10 years of implementation of the "Customs Development Strategy by 2020" was the closer collaboration between customs authority and specialized inspection agencies. The effective coordination of the agencies involved in importation and exportation was an important driving force to facilitate trade, improving state management capacity, and at the same time, setting a foundation to change specialized inspection methods for imports and exports in the coming period.

It could be seen that, in the last 10 years, the Customs sector has made remarkable changes and was one of the leading agencies in administrative procedure reform. In general, recent Customs modernization reform has kept up with Vietnam's international economic integration progress, helping

the Customs sector respond effectively to the rapidly increasing workload. Accordingly, by the end of 2019, the Customs sector processed the total number of import and export declarations increased by 287.7% compared to 2011; and contributed to the 160% increase in budget revenue during the same period. These achievements were obtained given the fact that the number of staff of the whole customs sector remained unchanged or even reduced in accordance with the policy of downsizing the number of public officials.

In recent years, Customs was among a few sectors that regularly collected comments and feedback from the import-export business community to reform administrative procedures and complete policies. The General Department of Vietnam Customs - Ministry of Finance cooperated with the Vietnam Chamber of Commerce and Industry (VCCI) and the United States Agency for International Development (USAID) to jointly conduct the first survey in 2012 and others in 2013, 2015, 2018 and 2019.¹ These surveys have gathered opinions of import and export businesses about the implementation of administrative procedures as well as identified remaining shortcomings, and subsequently offered various recommendations for reforms to relevant government agencies. On the basis of these recommendations, GDVC, Ministry of Finance and relevant ministries and agencies have addressed multiple problems,² and at the same time, implemented various reforms to facilitate businesses in import and export procedures.

Some remarkable legal changes in recent years can be mentioned as follows:

Submitting to the Government for approval and implementation of Decree No. 85/2019/ND-CP dated November 14, 2019 of the Government, including models and processes for information exchange and connection.

On January 12, 2021, the Prime Minister signed Decision No. 38/QĐ-TTg approving the scheme on reforming the model of quality inspection and food safety inspection for imported goods.

The Ministry of Finance has issued Decision No. 169/QĐ-BTC dated February 18, 2021 on notification plan of the Ministry of Finance to implement Decision No. 38/QĐ-TTg dated January 12, 2021.

Currently, the Ministry of Finance presides over the development of a Decree which stipulate on the management mechanism, method, order and procedures on quality inspection and food safety inspection for import good. It is expected to submit to the Government by the second quarter of 2021.

1 It includes the survey on businesses' opinions on customs operations in 2012, 2013, and 2015. The 2018 survey extended to cover administrative procedures in the import and export area. The 2019 survey focused on determining the level of satisfaction of businesses when conducting administrative procedures via the National Single Window.

2 For example, after the 2012 survey on the businesses' opinions on customs operations, GDVC responded to 32 common questions of the businesses, see details in the Consolidated Questions and Answers after the survey on customers' opinions on customs operations in 2012 dated March 26, 2013, available at: <<https://www.customs.gov.vn/Lists/TinHoatDong/ViewDetails.aspx?ID=19423&Category=Th>>

Continuing previous activities, VCCI and GDVC in collaboration with USAID conducted the 2020 Businesses' satisfaction with import and export administrative procedures survey under the USAID Trade Facilitation Program Scope of Work. The objective of the 2020 Survey was to promptly understand difficulties and problems of businesses in the process of carrying out import and export procedures in order to recommend line ministries and agencies to amend legal requirements, improving enforcement efficiency, and facilitating trade of the business community. This survey also aimed at implementing the guidance of the GDVC leadership on evaluating the satisfaction level of businesses with the implementation of administrative procedures for imports and exports at a number of Local Customs Departments, in which in-depth survey was conducted for 6 major Local Customs Departments. Specific objectives were:

- Reflect the practical implementation of import and export administrative procedures from the perspectives of the business community, serving as a basis for the Ministry of Finance and relevant ministries to identify appropriate measures to promote reforms in the coming time.
- Collect businesses' evaluation on the quality and efficiency of customs procedures carried out by Local Customs Departments, providing information to the GDVC leadership to help them direct, administer and improve the performance of these units.
- Evaluate the implementation of administrative procedures on specialized inspection, serving as a basis for identifying solutions to further reform relevant regulations in line with the Government's Resolution 02 on improving business environment and national competitiveness.

Methodology

● SURVEY CONTENT

With the aforementioned objectives, the 2020 survey focused on collecting businesses' opinions on the basic contents with regard to the implementation of export and import administrative procedures. The detailed contents discussed in-depth among GDVC, 6 Local Customs Departments, the Program and some experts were as follows:

- Evaluate the level of convenience in terms of accessing information on the implementation of import and export administrative procedures
- Evaluate the quality of import and export administrative procedure processing at a number of important stages such as: customs clearance procedures, duty administration procedures, post-clearance inspection procedures, administrative violation handling procedures, and complaint settlement procedures for businesses and the service quality of customs officers.
- Evaluate other areas in the import/export process, including specialized inspection and conformity assessment for imports and exports and Informal Charges.
- Conduct an in-depth survey at the sub-department level according to the specific proposals of 6 Local Customs Departments, namely Ho Chi Minh City, Hanoi, Hai Phong, Bac Ninh, Dong Nai and Binh Duong. These local customs departments were expected to participate in the 2020 in-depth survey under the direction of GDVC leadership. A separate in-depth report for these 6 local customs departments would be developed.

The 2020 survey succeeded a number of contents and criteria that had been used in previous surveys conducted by VCCI, GDVC and USAID to ensure consistency in the evaluation as well as to be used for comparing survey findings over the years.

● IDENTIFYING SURVEY RESPONDENTS

To obtain the most accurate information about the implementation of import and export customs procedures, this survey collected opinions of businesses that had carried out import and export procedures within 1 year from the time on which samples were selected (mid-August 2020).

● SURVEY MODES

The 2020 survey used a combination of online survey (developed a webpage for businesses to fill in the information) and mail survey (sent the questionnaires by post to businesses). In general, these two methods helped secure the anonymity of businesses and encourage them providing information, especially sensitive information that respondents may hesitate to provide during a face-to-face interview. The use of two types of survey methods allowed the maximum convenience for businesses and at the same time, it was more cost-effective than conducting a field interview nationwide, especially during the COVID-19 pandemic.

THE POPULATION AND SAMPLING FRAMEWORK

With a database including a list of businesses that had carried out import and export procedures within the last 12 months from the time on which samples were selected (mid-August 2020), this master list was completed thanks to the information provided by a number of Local Customs Departments and available data extracted from GDVC database. The master list included complete, up-to-date and accurate information about tax code, business name, address, phone number, email, number of customs declarations, characteristics of the economic zone and type of import and export activities. GDVC cooperated with VCCI in reviewing the GDVC's master list in order to add and consolidate information into a general list to send to VCCI to select samples. To ensure the quality of the samples, VCCI re-checked and compared this general list and, if needed, the contact information of the business extracted from other databases was added to develop the sampling framework. Contact information of the business was confidential and was solely used for research and survey purposes.

SAMPLING METHOD AND SAMPLE SIZE

On the basis of the above sampling framework, the research team reviewed and selected samples randomly for each Local Customs Department. Criteria for sampling were by economic sector (state-owned businesses, FDI businesses and private businesses), type of import-export activity [Import for production, import for trading purposes, and export for trading purposes and others] and the number of declarations. The selected businesses ensured the representativeness of each selected area for the survey. Accordingly, the research team decided to select samples for the Local Customs Departments with more than 300 businesses carrying out import and export procedures on the list. For the Local Customs Departments with the number of businesses carrying out import and export procedures of 300 or less, the research team conducted the survey on all businesses on the list. This selection was to ensure that the information provided by businesses was accurate and practical with regard to the customs clearance procedures. This sampling method was used in previous surveys conducted by VCCI in collaboration with GDVC.

The sample size of the 2020 survey was set for 3,500 businesses after detailed technical discussions among VCCI, GDVC, 6 Local Customs Departments and the Program. With 6 Local Customs Departments undergoing in-depth assessment, the research team worked closely with GDVC and representatives of 6 Local Customs Departments to make the decision based on the consistency in the sample selection for the entire survey. Since this survey was based on voluntary cooperation of businesses (it was estimated that the official response rate was around 20-25%), the sample size shall be bigger.

In addition to the general list of businesses, the research team also made a list of information that should be provided by GDVC and Local Customs Departments. These were statistics or the support for data analysis along with data collected in the survey. When all Local Customs Departments could guarantee the availability, completeness and update of some statistical indicators of the Customs sector, they were assessed and selected by experts from VCCI, GDVC and the Program for the development of a set of indicators evaluating the satisfaction level of businesses with these departments.

Based on the general list of businesses having import and export activities in the last 12 months, the research team determined a sample size of nearly 20,000 businesses, of which approximately 15,000 were on the official list and 5,000 were on the reserved list. Out of which, the research team contacted 12,425 businesses. There were 3,727 respondents at the end of the survey on December 31, 2020. After eliminating duplication and reviewing the quality of the answers, the research team kept 3,657 responses, of which 3,340 businesses sent their response via email or mail and 317 businesses provided online responses (webform). The number of valid responses exceeded the initial target of 3,500 responses and the response rate was 29.43%.

TABLE 1.1

Number of Respondents

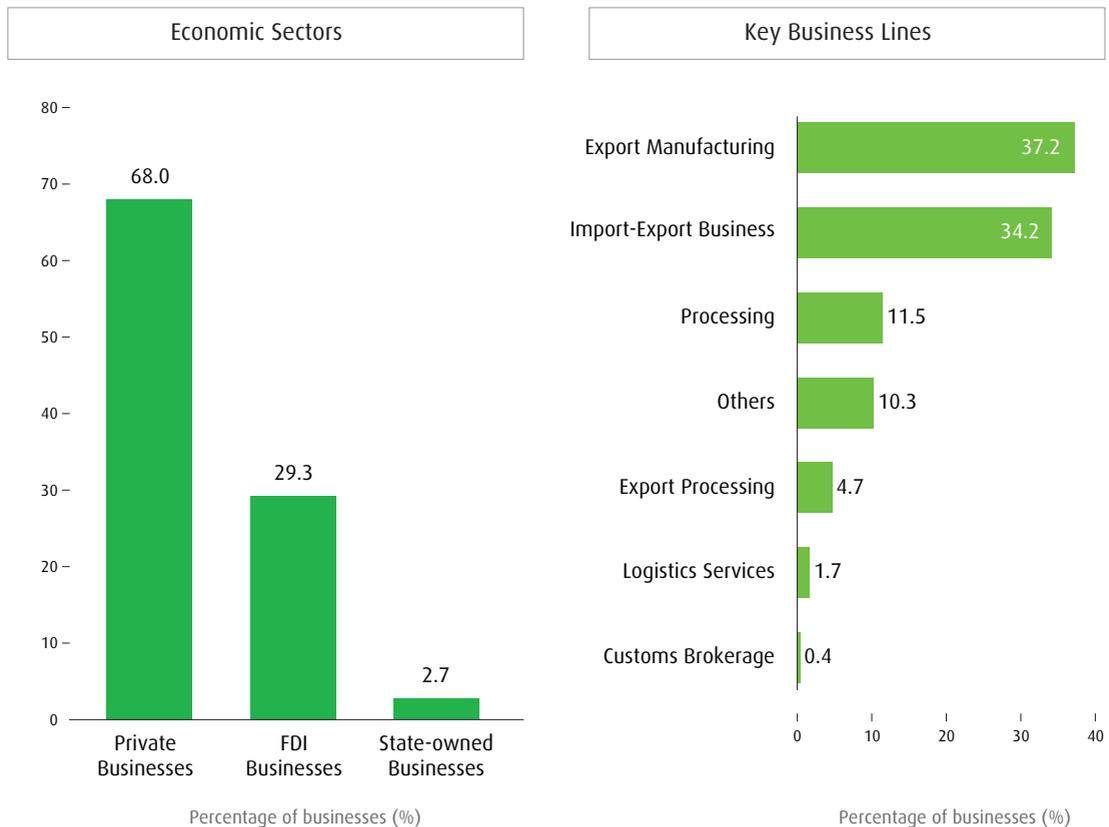
Sample	19,998
Official list	14,998
Reserved list	5,000
No. of Contactable Businesses	12,425
Number of respondents	3,727
Email/Mail Survey	3,389
Online survey	338
Valid responses	3,657
Email/Mail Survey	3,340
Online survey	317
Response rate	3,657
Original response rate (%)	30.00
Response rate after screening (%)	29.43

Some Characteristics of the Businesses Participating in the Survey

The 2020 survey saw the participation of businesses having import and export activities from various economic sectors and business areas. Specifically, there were 2,487 private businesses, 1,070 FDI businesses and 100 state-owned businesses participating in this survey, accounting for 68%, 29.3% and 2.7% of the total number of respondents, respectively. Regarding the main business areas, 37.2% of businesses operated in the area of production for export, 34.2% of businesses did import-export business and 11.5% were processing businesses. In addition, 4.7% of the respondents were export processing businesses, 1.7% were logistics service businesses, 0.4% were customs brokers and 10.3% were businesses in other sectors.

FIGURE 1.1

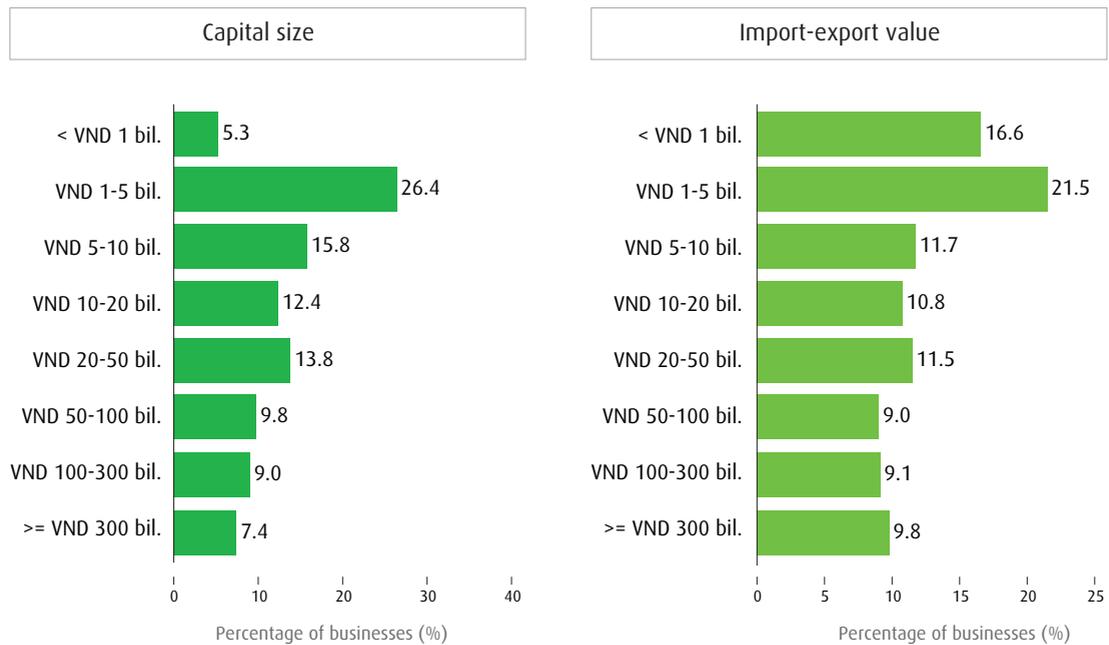
Economic Sectors and Main Business Lines of the Businesses Participating in the Survey



The figure below showed the capital size of the business at the time of the survey and its import-export values in the latest year. In terms of capital size, the majority of businesses engaging in importation and exportation were micro, small and medium-sized ones. Approximately 50% of the respondents had an import-export value of less than VND10 billion in the past year. Specifically, 16.6% of businesses had an import-export value of less than VND1 billion in the past year, 21.5% had an import-export value of VND1-5 billion, and 11.7% had an import-export value of VND5-10 billion. The remaining businesses accounted for around 9-11% of the total number of respondents.

FIGURE 1.2

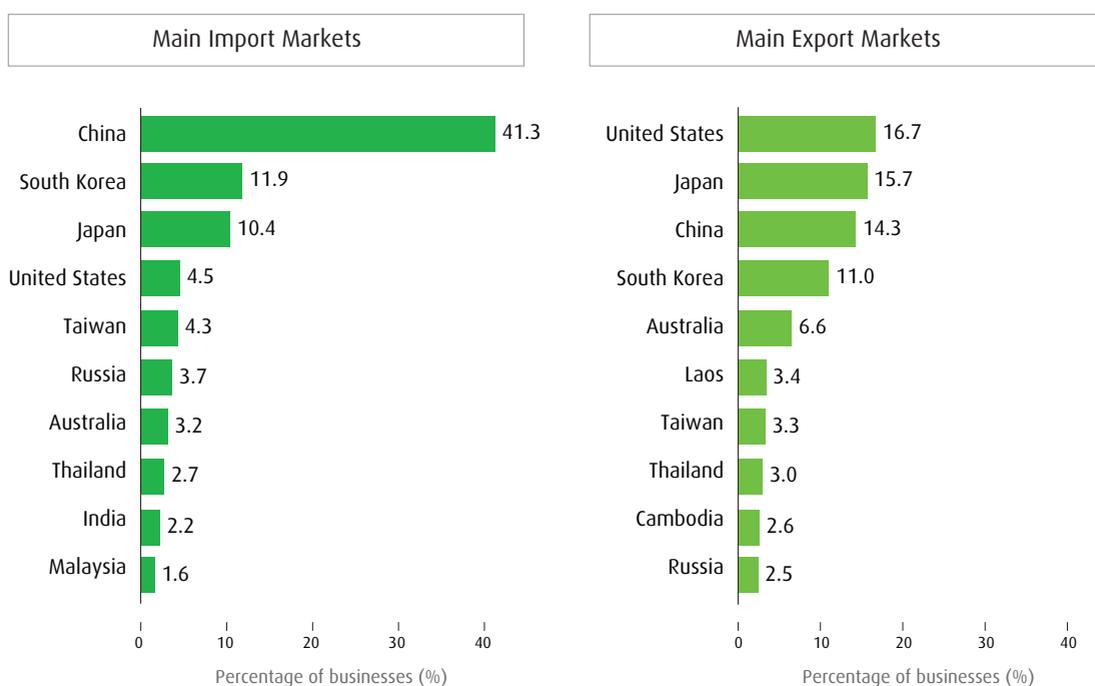
Capital Size and Import and Export Value of Businesses



Based on the information on the name of the country/territory in which Vietnamese businesses had the most regular import or export transactions, it could be said that Vietnamese businesses had very diverse trading partners. 62 countries/territories were the key import markets of Vietnamese businesses in this survey, of which the largest one was China (41.3%), followed by South Korea (11.9%) and Japan (10.4%). Remarkably, the United States was the fourth largest import market for Vietnamese businesses and it was also the largest export market of businesses in this survey (16.7%). Apart from the US, other major export markets for Vietnamese businesses were Japan (15.7%), China (14.3%) and Korea (11.0%) and Australia (6.6%). This was the TOP 5 largest export markets out of 63 countries/territories for Vietnamese businesses in the past year. Although the survey only demonstrated the frequency of transactions with partners, the size of import and export markets of Vietnamese businesses in this survey was rather similar to the recent statistics of GDVC on export/import turnover of Vietnam.³

FIGURE 1.3

10 Main Import and Export Markets of Businesses

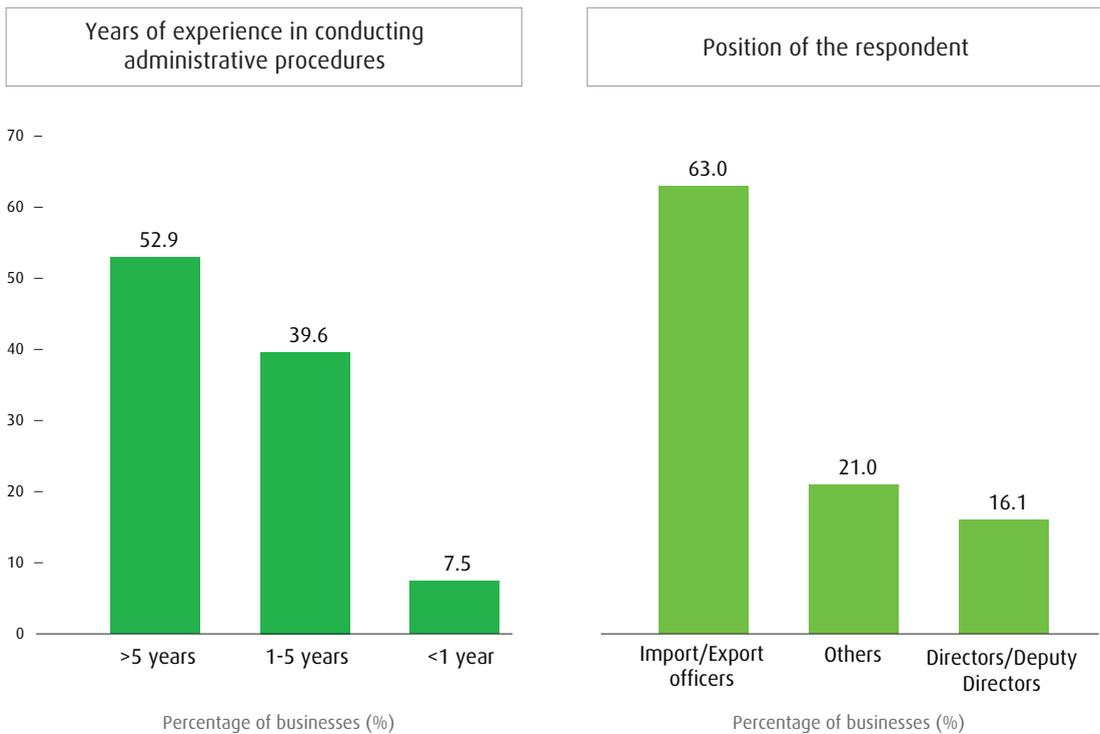


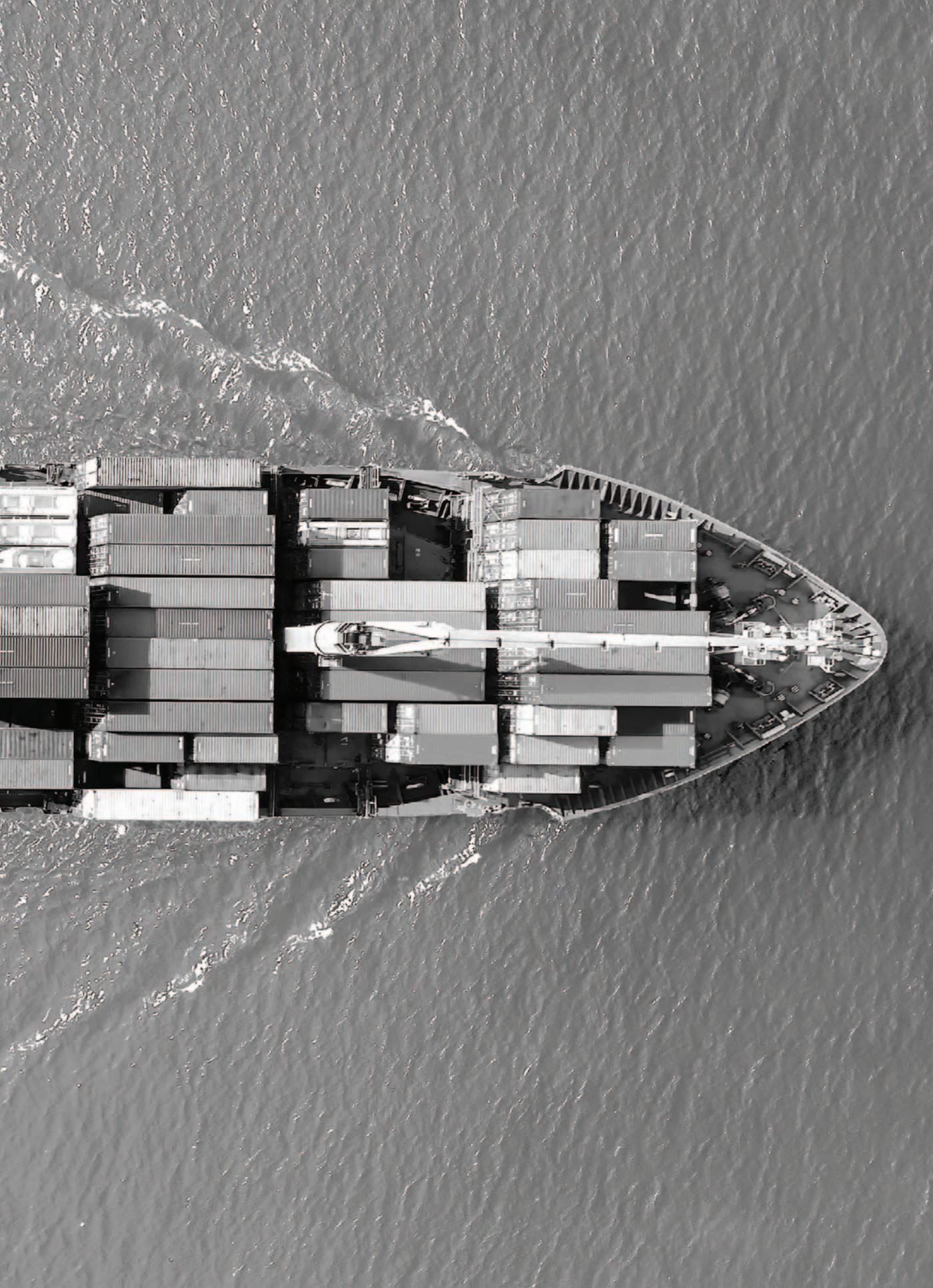
³ General Department of Vietnam Customs, Vietnam's import and export situation in December and 12 months of 2020, January 18, 2021, available at <<https://www.customs.gov.vn/Lists/ThongKeHaiQuan/ViewDetails.aspx?ID=1901&Category=Ph%C3%A2n%20t%C3%ADch%20%C4%91%E1%BB%8Bnh%20k%E1%BB%B3&Group=Ph%C3%A2n%20t%C3%ADch>>

Most businesses participating in the survey had carried out customs procedures for a considerably long period of time. Specifically, 52.9% of businesses had carried out customs procedures for more than 5 years and 39.6% of businesses had done them from 1 to less than 5 years. Only 7.5% of businesses had carried out customs procedures for less than 1 year. 63% of respondents of this survey were export and import officers of businesses. Approximately 16% of the respondents were in the management team of the business such as Director/Deputy Director. The remaining 21% were people with other positions in the business, including chief/deputy chief of supply department, logistics and administrative staff, accountants, etc.

FIGURE 1.4

Number of Years in Operation of Businesses and the Position of the Respondent





02

ACCESS TO INFORMATION WITH REGARD TO IMPORT-EXPORT ADMINISTRATIVE PROCEDURES

Methods to Access Information on Administrative
Procedures Commonly Used by Businesses 038

The Level of Satisfaction of Businesses with the
Methods of Accessing Information 039

Level of Response to Requests for Information.... 041

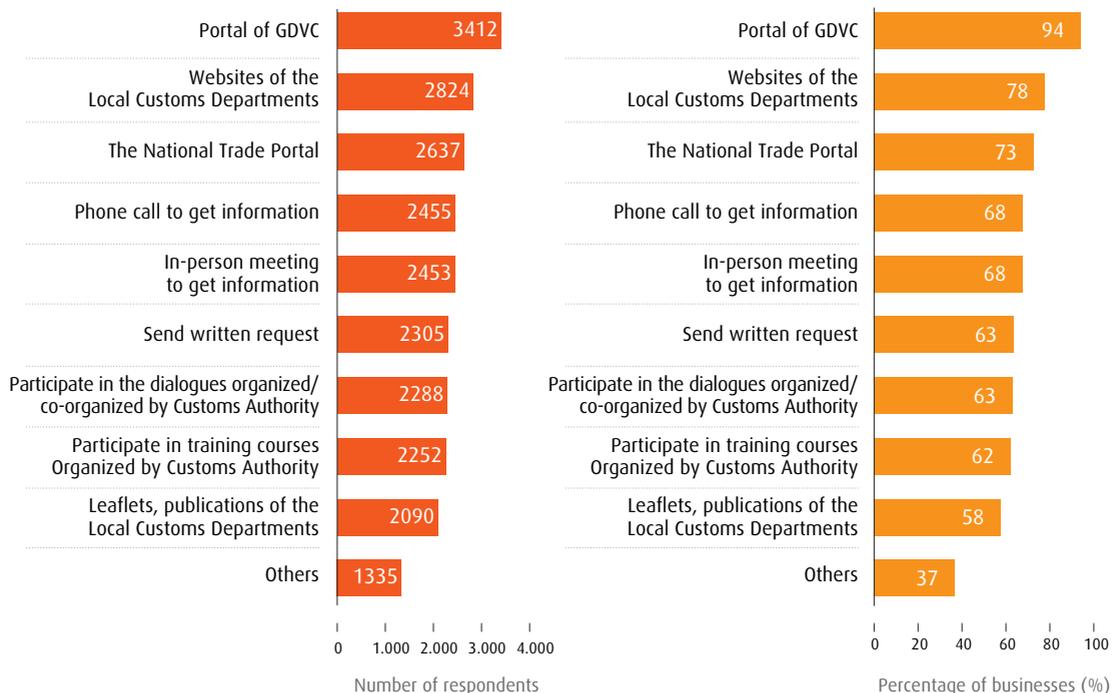
Difficulties and Problems in Accessing Information
on Customs Administrative Procedures and
Evaluation of Q&A Performance 045

Methods to Access Information on Administrative Procedures Commonly Used by Businesses

The 2020 survey asked businesses to indicate the methods commonly used to access information on import and export administrative procedures. 3,654 businesses answered this question (Figure 2.1). They indicated the three most popular methods to access information on administrative procedures were the Portal of the General Department of Vietnam Customs (94%), websites of the Local Customs Departments (78%) and the National Trade Portal (73%). There was a significant proportion of businesses using other methods to access information such as phone call (68%), face-to-face meeting (68%), sending written requests (63%), participating in dialogues organized/co-organized by the Customs Authority (63%), participating in training courses organized by the Customs Authority (62%) or via leaflets, publications of the Local Customs Departments (58%). Several businesses also used other methods (37%), such as forums on import and export procedures on social network platforms (Facebook), the OTT network (Zalo), import/export forums on the Internet, or via intermediary entities (forwarders), logistics service providers or customs brokers.

FIGURE 2.1

Methods to Access Information on Administrative Procedures Commonly Used by Businesses

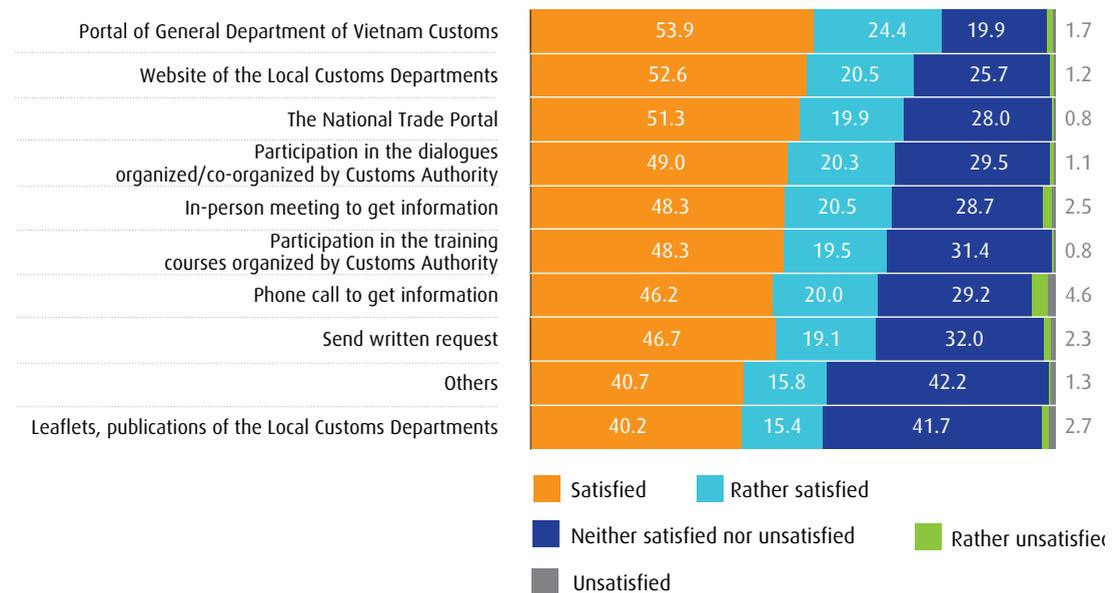


The Level of Satisfaction of Businesses with the Methods of Accessing Information

Among the aforementioned methods of accessing information, online access to information was more favored than traditional methods of providing information. The 2020 survey showed that 78,3% of businesses were “satisfied” or “rather satisfied” with the information provided by the Portal of GDVC. This method gained the highest level of satisfaction from businesses, followed by the method of providing information via the websites of Local Customs Departments (73.1%), the National Trade Portal (71.2%) and the dialogues organized/co-organized by Customs Authority (69.3%). Some other businesses got access to information on administrative procedures through face-to-face meetings with customs officers or asking questions at the training courses organized by Customs, with satisfaction rates of 68.8% and 67.8%, respectively. Other remote information enquiry methods such as "making a phone call to ask for information" and "sending written request" achieved the businesses’ satisfaction rates of approximately 66.2 % and 65.8%, respectively. 55,6% of businesses were satisfied/rather satisfied with the dissemination of information on administrative procedures via leaflets and publications.

FIGURE 2.2

The Level of Satisfaction of Businesses with the Methods of Accessing Information on Administrative Procedures.



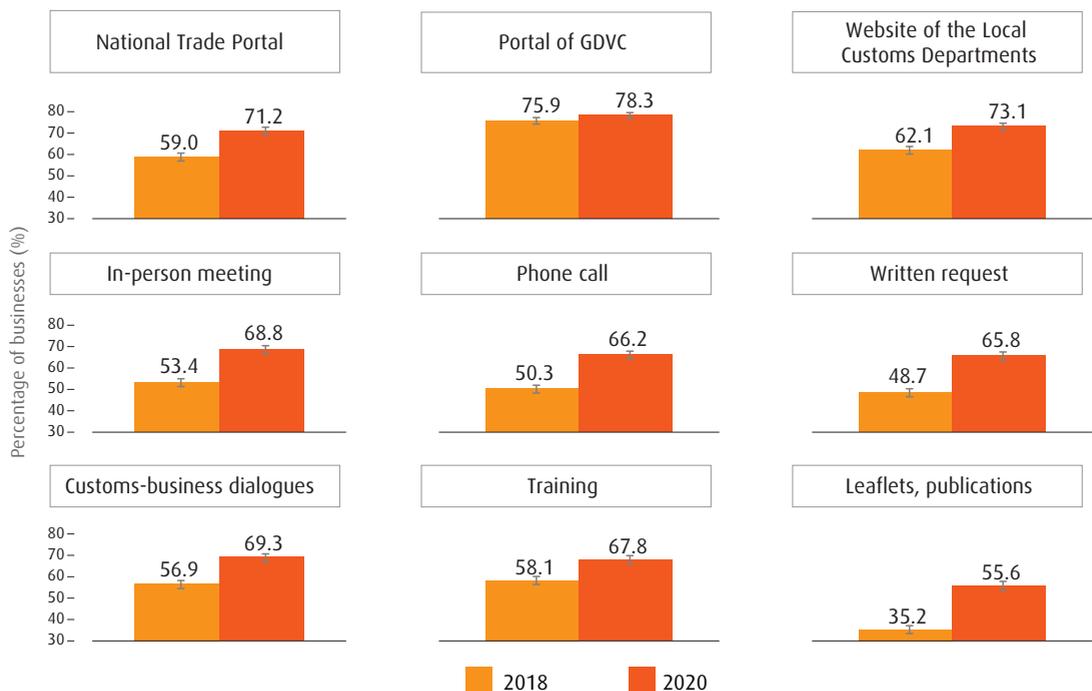
Note: The percentage of businesses unsatisfied/ rather unsatisfied are combined for a better representation of the graph
Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
Question A1: Please indicate the level of satisfaction with methods of accessing information on administrative procedures

It could be seen that in the 2020 Survey, the three most common methods of accessing information used by businesses and achieving the highest level of satisfaction from businesses were all related to the digital platforms. It was, therefore, essential to continue to promote the application of information technology in disseminating information on administrative procedures to businesses via the portal of GDVC, the websites of Local Customs Departments and the National Trade Portal since information could be accessed by a large number of businesses. These methods were not only helpful to businesses in big cities but they could help those in remote and isolated areas be able to access information promptly, sufficiently and regularly. At the same time, it was necessary to maintain direct dialogues, organizing training courses or answering questions over the phone because some businesses kept using these traditional methods to obtain information. The combination of multiple information dissemination methods could meet the diverse needs of businesses.

The question about the businesses' satisfaction with methods of accessing information on import/export administrative procedures in the 2020 survey was similar to the one in the 2018 survey. Thus, it was possible to learn about changes in businesses' satisfaction over time. Figure 2.3 presented the percentage of businesses satisfied/rather satisfied with 9 specific methods of accessing information, with an improvement in the businesses' satisfaction level for all of them. In which, the most noticeable improvement was the significant changes in the traditional methods of accessing information such as leaflets, publications (+20.4%), sending written request (+17%), phone call (+16%) or face-to-face meetings (15.4%).

FIGURE 2.3

The Level of Satisfaction of Businesses with the Methods of Accessing Information on Administrative Procedures over Time



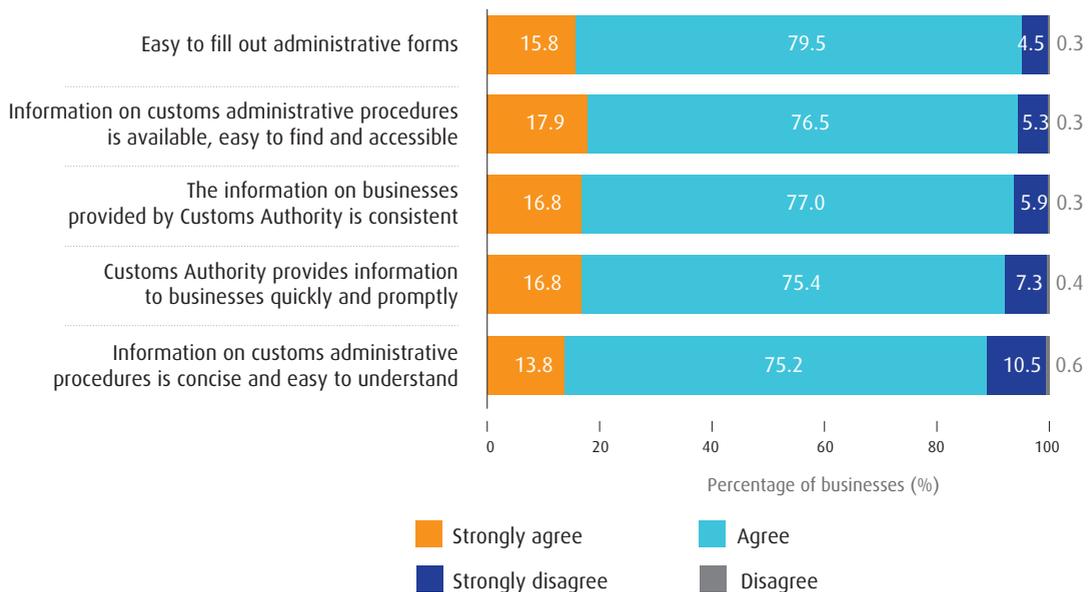
Level of Response to Requests for Information

The 2020 survey explored the level of satisfaction with information on administrative procedures by asking businesses to respond to 5 statements on the accessibility to information on customs administrative procedures: (1) Information on customs administrative procedures is available, easy to find and accessible; (2) The information on businesses provided by Customs Authority is consistent; (3) Customs Authority provides information to businesses quickly and promptly; (4) Information on customs administrative procedures is concise and easy to understand; and (5) Easy to fill out administrative forms.

All of these 5 statements received high consensus from businesses, with approximately 90% or more agreed/strongly agreed (Figure 2.4). Of which, 95.3% of businesses believed that the customs procedure forms were easy to fill out; 94.4% of businesses said that information on customs administrative procedures was available, easy to find and accessible; 93.8% of businesses agreed/strongly agreed that the information provided by the Customs was consistent; 92.2% of businesses agreed that information provided by the Customs Authority was in a prompt and quick manner; and 89% of businesses agreed /strongly agreed that information on customs administrative procedures was concise and easy to understand.

FIGURE 2.4

Statements on the Accessibility to Information on Customs Administrative Procedures



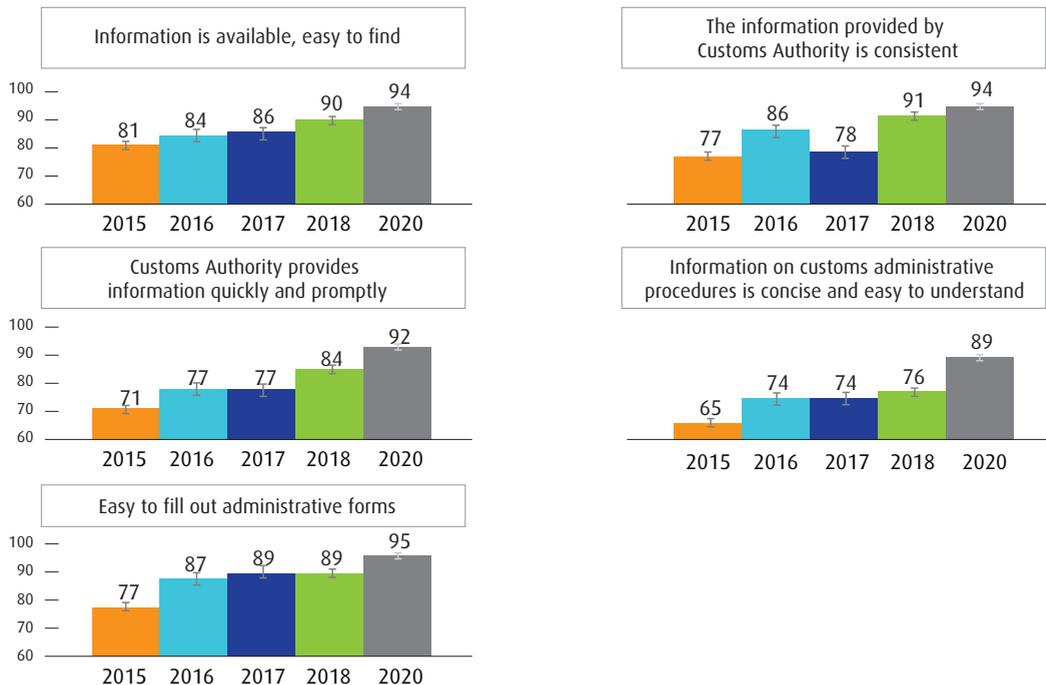
Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
 Question A2: Please indicate the level of consensus with the following statements about accessing information on administrative procedures

In the 2020 survey, approximately 11% of businesses disagreed with the statement that “information on customs administrative procedures was concise and easy to understand”, and this figure was significantly higher than that of other statements (Figure 2.4). Further analysis of the above figure by characteristics of the businesses could suggest an approach to improve the problem. Specifically, while 7% of businesses with less than 1 year of experience and 9% of businesses with 1-5 years of experience in carrying out customs procedures disagreed with the statement “information on customs administrative procedures was concise and easy to understand”, 14% of businesses with 5 years of experience in carrying out administrative procedures was in disagreement with this statement. 14% of FDI businesses disagreed with this statement, higher than the figure of 9% and 10% of state-owned businesses and private businesses, respectively. Export processing businesses (16%), logistics service providers (17%) and customs brokers (14%) were the groups with the highest level of disagreement. Remarkably, businesses with the highest import and export values (over VND300 billion) had the highest percentage of disagreement with the statement “Information on customs administrative procedures is concise and easy to understand” (19%).

The findings from the 2016 to 2020 surveys illustrated a trend of positive changes over time with regard to the accessibility to administrative procedure information (Figure 2.5). The percentages of businesses agreeing with 5 statements reached the highest levels in the past 5 years. This was a positive signal showing the great efforts of the customs sector in providing information to businesses.

FIGURE 2.5

Percentage of Businesses Agreeing with the Statements on the Accessibility to Administrative Procedure Information - Changes over Time (%)

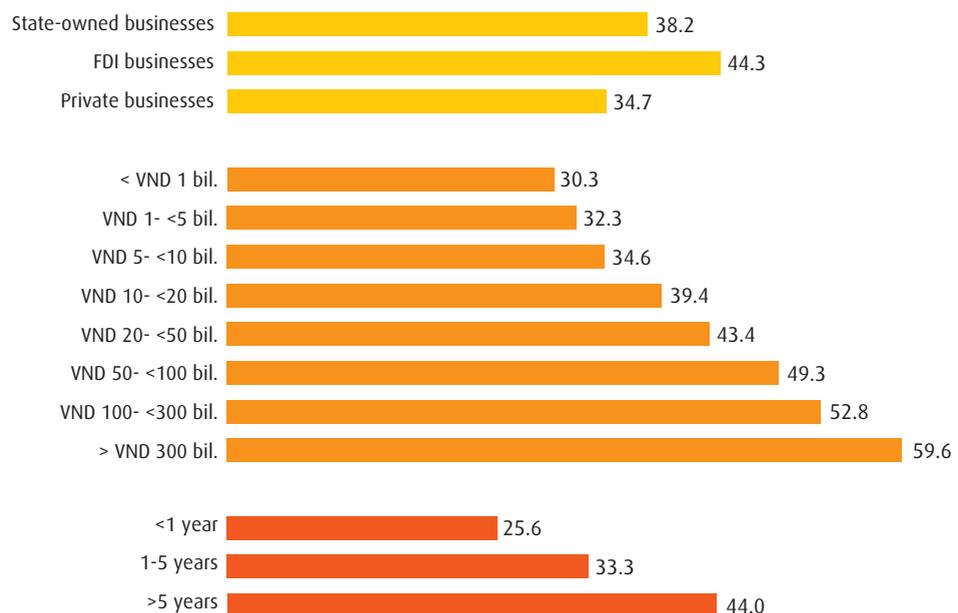


Difficulties and Problems in Accessing Information on Customs Administrative Procedures and Evaluation of Q&A Performance

The 2020 survey showed that 38% of businesses still faced difficulties and problems in accessing information on import and export administrative procedures. The 2020 figure has dropped sharply compared to the rate of 54% in 2015. However, 38% remained a noteworthy figure and meant that there were plenty of room for improvement, especially when conducting analysis by the characteristics of the business (Figure 2.6). Specifically, FDI businesses, large-scale businesses and those with long history of operation found it difficult in obtaining information on administrative procedures. FDI businesses accounted for 29.3% of respondents in the 2020 survey. Among the three groups of businesses by economic sector, FDI businesses faced more difficulties with 44.3% of them reporting problems in searching for information, higher than that of state-owned businesses (38.2%) and private businesses (34.7%). In addition, the results in Figure 2.5 also showed that businesses with larger capital and businesses with long operation history tended to face difficulties in searching for information. This was partly due to the fact that they carried out more complicated import and export operations.

FIGURE 2.6

Percentage of Businesses Having Difficulties in Obtaining Information on Administrative Procedures by Economic Sector, Capital Size and Number of Years of Experience in Carrying out Customs Procedures (%)

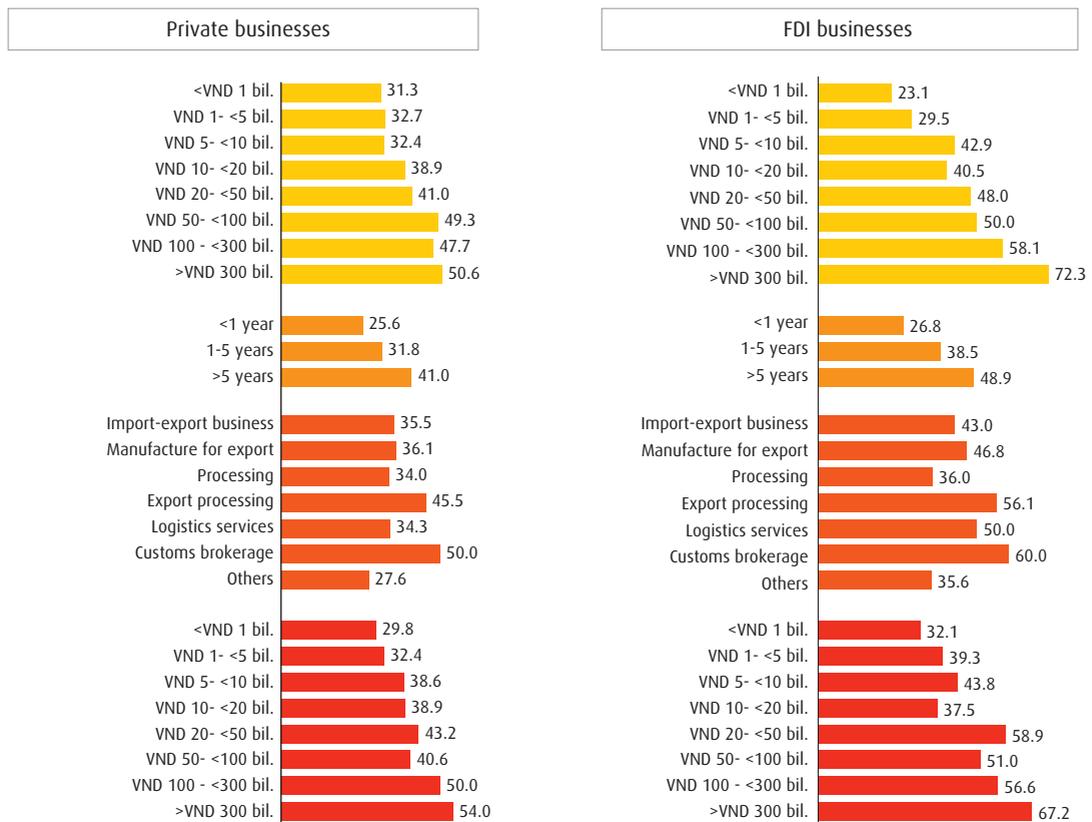


Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
 Question A3: Have you ever faced any difficulties or problems in obtaining customs-related information?

The results were rather consistent when considering the detailed results of private businesses and FDI businesses by capital size, number of years of operation, field of operation and import/export values in 2020. Both private and FDI businesses with large capital scale, long history of operation, and larger import and export values were likely to face more difficulties in obtaining administrative procedure information.

FIGURE 2.7

Percentage of Businesses Having Difficulties in Obtaining Information on Administrative Procedures - Comparing Private and FDI Businesses (%)



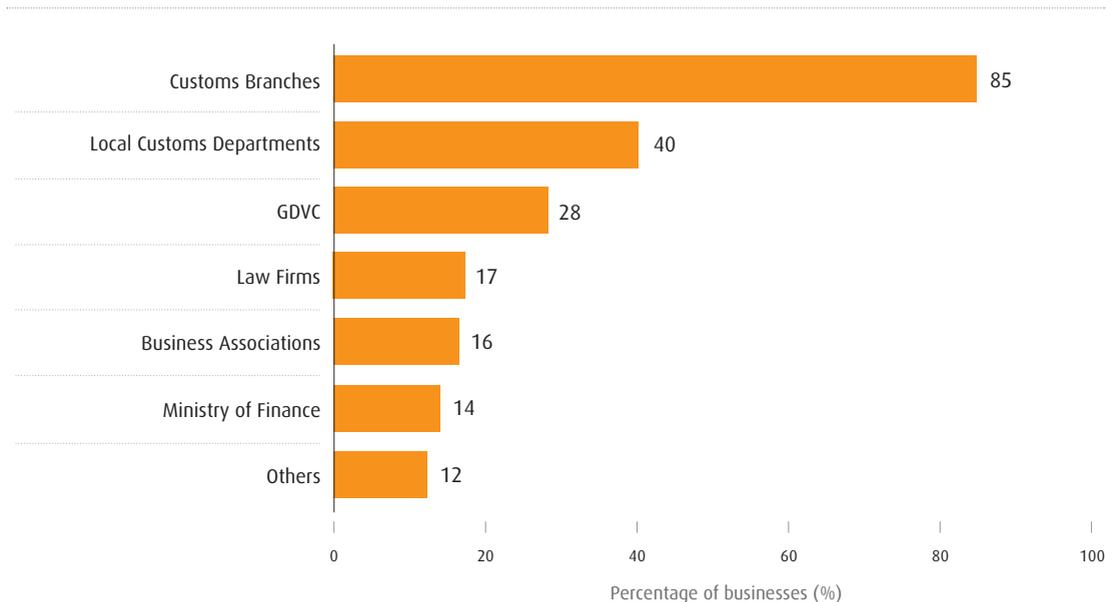
Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.

Question A3: Have you ever faced any difficulties or problems in obtaining customs-related information?

When facing difficulties and problems in accessing information on customs administrative procedures, which agencies did businesses ask for help from or send questions to? The 2020 survey showed that businesses contacted Customs Branches (85%), Provincial Customs Departments (40%) and the General Department of Vietnam Customs (28%) to ask for help. Some businesses also sought assistance from law firms (17%), business associations (16%), the Ministry of Finance (14%) and others (12%).

FIGURE 2.8

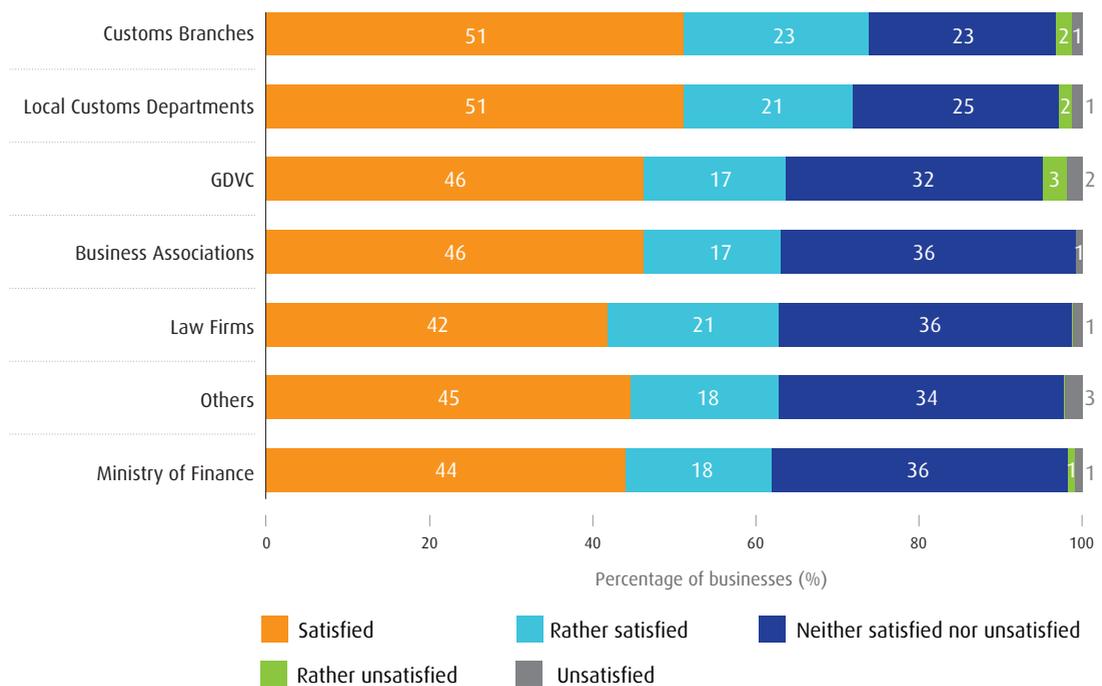
Agencies from Which Businesses often Ask for Help with Regard to Information on Administrative Procedures



The 2020 survey illustrated that the majority of businesses were satisfied/rather satisfied with the support of relevant units for the problems arising in the process of obtaining information on customs administrative procedures. (Figure 2.8). The percentage of businesses satisfied/rather satisfied with the answers of the Customs Branches was 74%, followed by Provincial Customs Departments (72%) and GDVC (63%). The percentages for other units did not differ much, staying around 62%.

FIGURE 2.9

Percentage of Businesses Satisfied with the Support in Obtaining Information on Customs Administrative Procedures (%)



Comparing the survey findings in 2020 with those in 2018, it could be said that there was a positive change in businesses' evaluation of the support of the agencies and organizations when they encountered difficulties and problems in accessing information on administrative procedures (Figure 2.9). In the 2018 survey, the agency receiving the highest percentage of businesses satisfied/rather satisfied was the Provincial Customs Departments with the percentage of only 58%, but in the 2020 survey, it jumped to 72%. The percentage of businesses satisfied/rather satisfied with the responses from GDVC and the Ministry of Finance also increased significantly. For other entities such as Business Associations, Law Firms or others, businesses also provided more positive evaluation compared to the findings in 2018.

FIGURE 2.10

Percentage of Businesses Satisfied with the Support in Obtaining Information on Customs Administrative Procedures over Time (%)





03

IMPLEMENTATION OF CUSTOMS ADMINISTRATIVE PROCEDURES

General Assessment	051
Customs Clearance Procedures	057
Tax Administration Procedures	064
Post-Clearance Audit	071
Procedures for Inspecting and Determining HS Codes and Procedures for Customs Value Consultation	077
Procedures Related to the Inspection of Processing and Export Manufacturing Establishments	083
Procedures for Physical Inspection of Import and Export Goods Via Container Scanners	087
Support from Customs Authorities	089

For import and export activities, businesses often carry out several customs administrative procedures. This part of the Report presents assessments of businesses of procedures or groups of procedures, including: (1) customs clearance procedures (customs declaration, document inspection, physical inspection of goods); (2) tax administration procedures (tax payment and tax refund/non collection of tax); (3) post-clearance audit procedures (carried out at customs office or business premises); (4) procedures for handling of administrative violations; and (5) complaint settlement procedures.

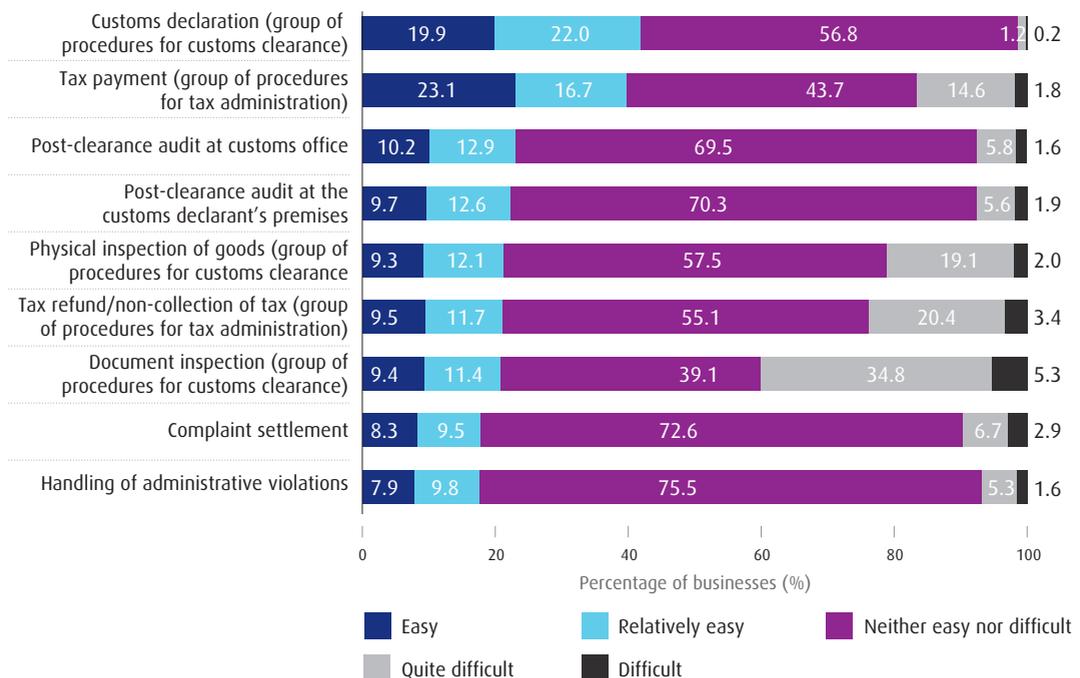


General Assessment

The 2020 survey results show that the level of ease experienced by businesses in complying with customs administrative procedures is quite different. Based on the percentage of businesses seeing the implementation as “easy” or “relatively easy”, the two procedures “customs declaration (group of procedures for customs clearance)” and “tax payment (group of procedures for tax administrative)” are assessed by several businesses as easier to comply with. Meanwhile, based on the percentage of businesses finding it “difficult” or “quite difficult” to carry out, “document inspection (group of procedures for customs clearance)”, “tax refund/non-collection of tax (group of procedures for tax administration)” and “physical inspection of goods (group of procedures for customs clearance)” are the three procedures groupings that businesses most often experience difficulties. The rates of businesses finding these procedures difficult are 40.1%, 23.8% and 21.1% respectively. For remaining procedures, such as “Post-clearance audit at customs office”, “Post-clearance audit at the customs declarant’s premises”, “Complaint settlement”, “Handling of administrative procedures”, a majority of businesses find them “neither easy nor difficult” to comply with.

FIGURE 3.1

Level of Easy in Implementation of Selected Customs Administrative Procedures



Comparing the 2020 survey results against those of 2015, the percentage of businesses considering the compliance of procedures as easy has improved notably (Figure 3.2). For instance, the percentage of businesses perceiving tax payment as easy has increased from 22.7% (2015) to 39.8% (2020). Customs clearance procedures such as document inspection or physical inspection of goods also received positive assessments from about 21% of businesses, a strong increase from the previous rates of 9% and 5.6%. However, the percentage of businesses considering document inspection and tax payment as easy slightly decreases compared to 2018. This can be attributed to the fact that Customs authorities have strengthened the work on controlling and fighting against smuggling, trade fraud and illegal transshipment across borders, which they started to strongly implement from 2019 until now, especially in the context of trade tensions between America and China.

FIGURE 3.2

Percentage of Businesses Viewing Procedures as Easy to Carry Out – Comparison over Years (%)



The level of ease experienced by businesses while carrying out administrative procedures is significantly different among the local customs departments where they come to have procedures completed. Figure 3.3 demonstrates the percentage of enterprises rated the procedure grouping for customs clearance as “easy” or “relatively easy” (inclusive of customs declaration, document inspection, and physical inspection of goods) by customs department where they have procedures carried out. While customs declaration seems to be quite convenient for enterprises, document inspection and physical inspection of goods at all 35 departments have not yet reached that level of convenience. At 11 out of 35 local customs departments, there was no more than 20% of businesses perceiving the compliance with “document inspection” procedure as “easy” or “relatively easy.” The same thing is true for the procedure for physical inspection of goods at 12/35 customs departments.

FIGURE 3.3

Level of Easy to Carry out Customs Clearance Procedures

Unit: Share of firms rated the procedure as "easy" or "relatively easy"



Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
Question B1. Please assess the level of ease while implementing administrative procedures.
Note: The blue bars indicate that not more than 20% of enterprises rated the procedures as "easy" or "relatively easy."

Meanwhile, Figure 3.4 illustrates the percentage of businesses viewing the implementation of tax management procedure group as “easy” or “relatively easy” by customs department where they carry out procedures. Tax payment procedure is generally easier to conduct than tax refund procedure. Enterprises do not find it really convenient to carry out tax refund procedure at several customs departments (15/35 local customs departments have less than 20% of businesses rating this as easy to implement). This is also the situation noted in the 2018 survey when, on average, there was only about 17% of enterprises nationwide assessing the tax refund/non-collection of tax procedure as easy to implement, and about 23% of enterprises encountered difficulty in the actual implementation of this administrative procedure.

FIGURE 3.4

Level of Easy to Carry out Tax Administrative Procedures



Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
Question B1. Please assess the level of ease while implementing administrative procedures.
Note: The blue bars indicate that not more than 20% of enterprises rated the procedures as "easy" or "relatively easy."

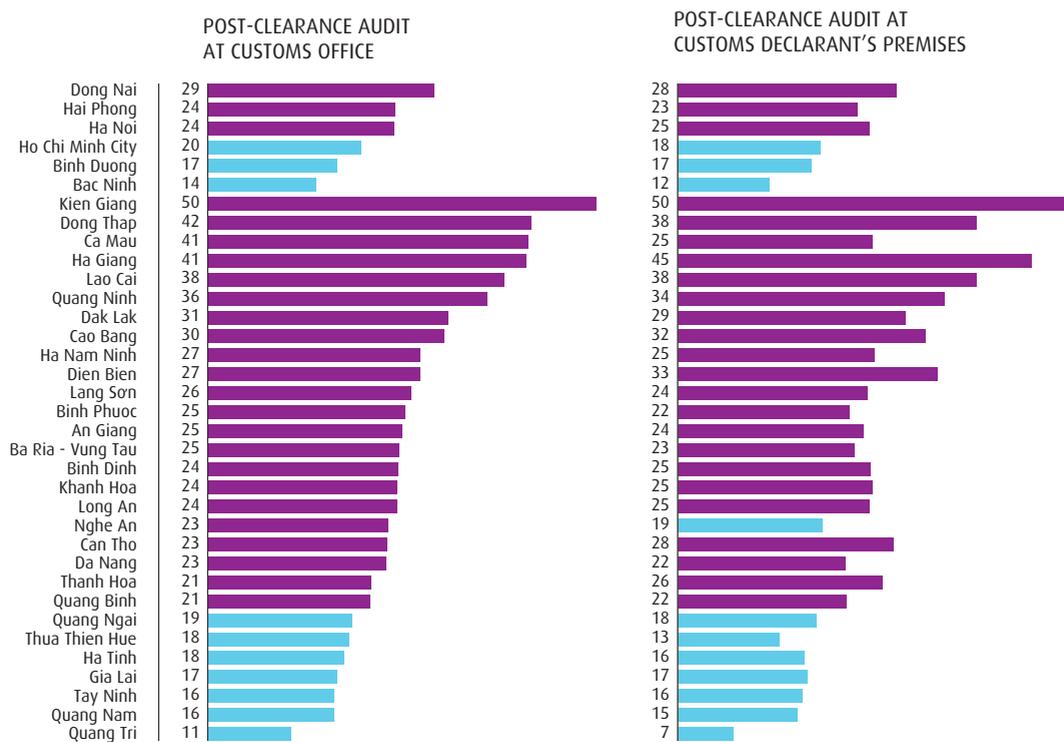
For post-clearance audit procedure group, businesses had quite positive assessments of a number of local customs departments in the handling of post-clearance audit procedures at customs office, namely Kien Giang, Dong Thap, Ca Mau, Ha Giang, Lao Cai or Quang Ninh. Similarly, for post-clearance audit procedures carried out at the customs declarant’s premises, the following local customs departments had positive rating: Kien Giang, Ha Giang, Dong Thap, Lao Cai (Figure 3.4).

Meanwhile, there is a majority of enterprises evaluating the level of easy for remaining procedures, including “Handling of administrative violations” and “Complaint settlement”, as “neither easy nor difficult.” However, the percentage of businesses viewing these two procedures as “easy” or “relatively” to carry out is the lowest. The number of local customs departments having more than 20% of businesses assessing the level of easy to carry out these procedures is 14 out of the total of 35 departments.

FIGURE 3.5

Level of Easy to Carry out Post-Clearance Audit Procedures

Unit: Share of firms rated the procedure as "easy" or "relatively easy"

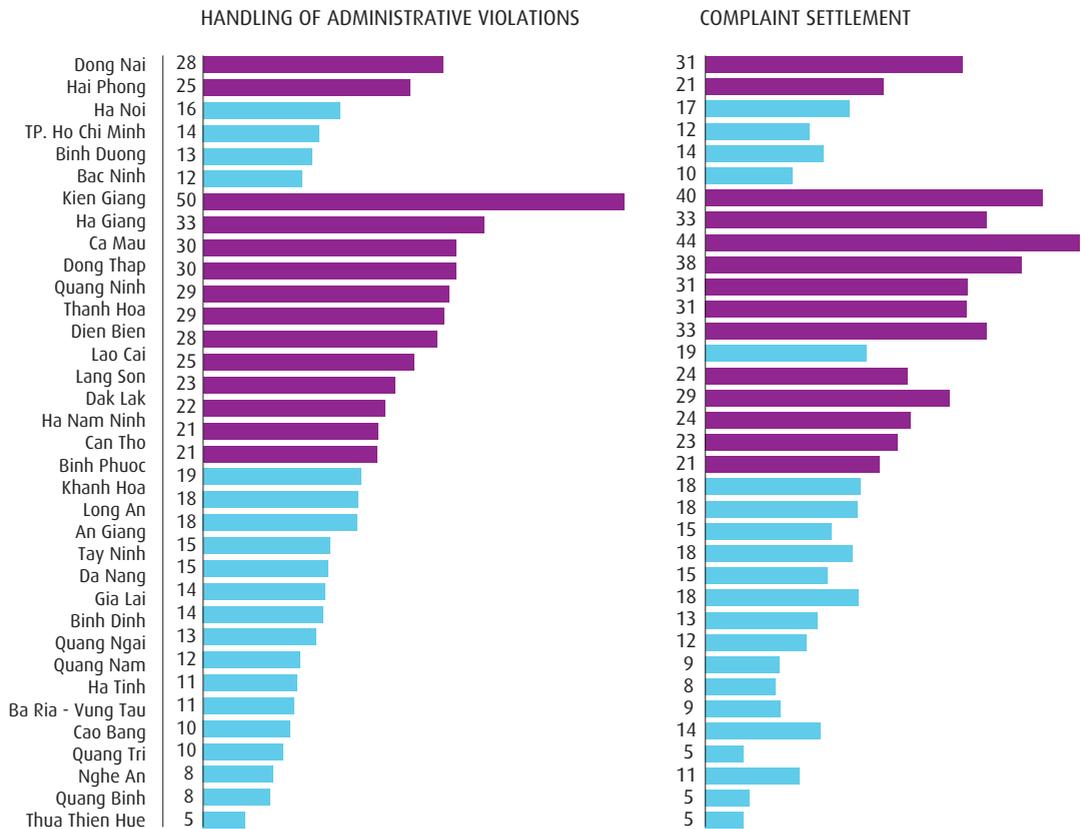


Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
Question B1. Please assess the level of ease while implementing administrative procedures.
Note: The blue bars indicate that not more than 20% of enterprises rated the procedures as "easy" or "relatively easy."

FIGURE 3.6

Level of Easy to Carry out Procedures for Handling of Administrative Violations and Complaint settlement

Unit: Share of firms rated the procedure as "easy" or "relatively easy"



Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
Question B1. Please assess the level of ease while implementing administrative procedures.
Note: The blue bars indicate that not more than 20% of enterprises rated the procedures as "easy" or "relatively easy."

The next part of the Report explores the specific difficulties encountered by businesses while carrying out customs clearance procedures (section 3.2), tax administrative procedures (section 3.3), post-clearance audit procedures (section 3.4), HS code examination and determination procedures (section 3.5), and procedures for checking and consultation of customs valuation (section 3.6). The report this year also dedicates a part to intensive analysis of procedures relating to inspection of processing – manufacturing enterprises (section 3.7), as well as procedures for physical inspection of imports and exports using container scanners (section 3.8).

Customs Clearance Procedures

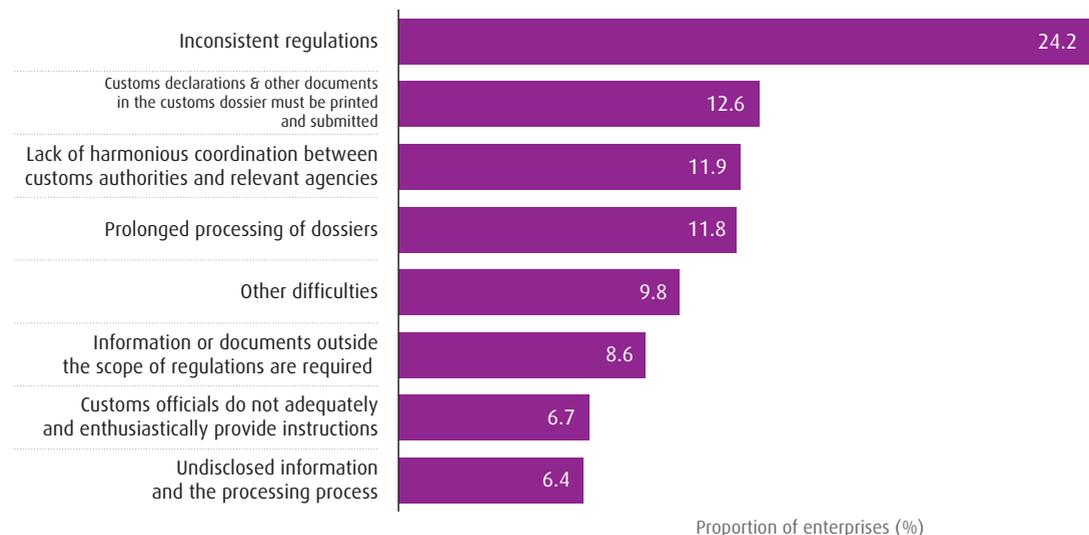
Within the framework of the survey, businesses’ representatives were asked about the difficulties they commonly faced while carrying out customs clearance administrative procedures. Seven difficulties most frequently met with include:

- 1 Inconsistent regulations
- 2 Customs declarations & other documents in the customs dossier must be printed and submitted
- 3 Information or documents outside the scope of regulations are required
- 4 Prolonged processing of dossiers
- 5 Undisclosed information and the processing process
- 6 Customs officials do not adequately and enthusiastically provide instructions
- 7 Lack of harmonious coordination between customs authorities and relevant agencies

Regarding the document inspection procedure in the customs clearance procedure group, frequently changed regulations or policies are considered the biggest difficulty for businesses’ compliance. About 24.2% of businesses reported this situation, nearly doubling other difficulties such as “Customs declarations and other documents in the customs dossier must be printed and submitted,” or “Lack of harmonious coordination between customs authorities and relevant agencies” or “Prolonged processing of dossiers” (Figure 3.7).

FIGURE 3.7

Main Difficulties in Compliance with Document Inspection Procedure within the Customs Clearance Procedure Group

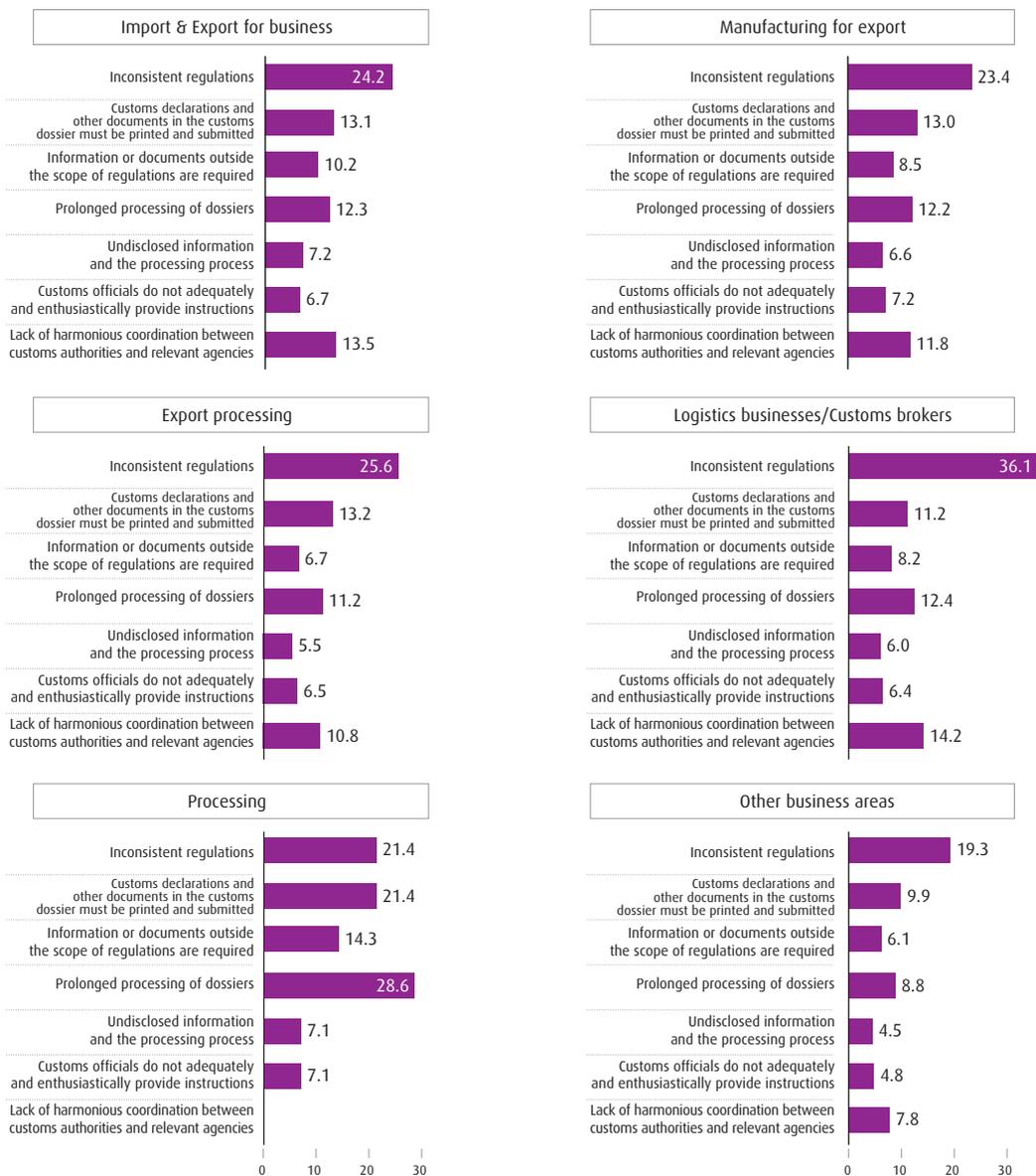


Survey data also allows presentation of difficulties by main operation area (Figure 3.8). It can be seen that “inconsistent regulations” causes the biggest difficulty for logistics businesses or customs brokers (36.1% of businesses). The most difficult problems for enterprises operating in various business areas are quite the same, except for the group of processing enterprises whose biggest obstacle is prolonged processing of dossiers (28.6%).

FIGURE 3.8

Main Difficulties in Compliance with Document Inspection Procedure within the Customs Clearance procedure group, Comparison of Enterprises by Main Operation Area

Unit: Percentage of enterprises (%)



BOX 3.1

Some Practical Difficulties of Enterprises when Preparing Documents and Complying with Document Inspection Procedure

The enterprises participating in the survey provided more information about the difficulties they often faced when complying with the document inspection procedure in the customs clearance procedure.

The requirement of submitting both printed customs documents and electronic files (soft copies) was mentioned by a great number of enterprises. They complained that although the application of information technology had been strengthened in recent years, the incomplete "digitization" still took a lot of time for enterprises when they still had to go to the customs office to submit documents as in the traditional form.

Enterprises also complained that the customs document inspection procedure was still relatively slow. Enterprises hardly knew the status of documents sent to the customs and did not know which officers were receiving their documents. It was supposed that there was no clarity in the order arrangement of dossiers in processing.

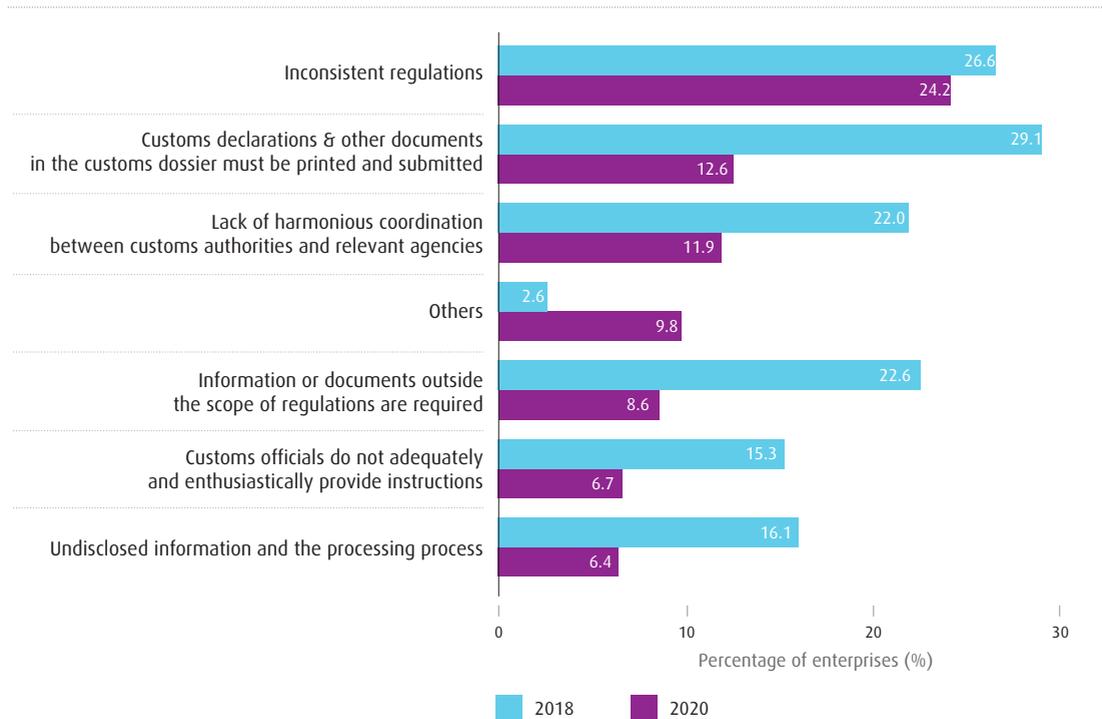
In the 2020 survey, specific difficulties in preparing documents and complying with document inspection procedure for shipment clearance on the National Single Window Portal were also highlighted by some enterprises. For example, some enterprises informed that the customs authorities required the cargo declaration to be sent and checked by the ship owner prior to arrival. However, the cargo declaration could not be sent separately and must be accompanied by a whole set of documents (including general declaration, crew list...). The enterprises said that the set of documents contained some information that would be known only after the ship arrived at the port (such as the number of remaining reserves on the ship, the anchorage point ...). As a result, the ship owners often needed to edit the dossiers many times, which was time consuming. In addition, the procedure for amending and supplementing was still difficult. Enterprises were allowed to amend and supplement once. In the next times, they had to wait for the inter-agency body to "request amendments" in order to update.

Source: Summary of additional responses from some enterprises participating in the survey

Although the issues that need addressed still remain, survey results do indicate the sign of improvement over time (Figure 3.9). Accordingly, the percentage of enterprises facing difficulties in the compliance with the document inspection procedure has reduced significantly in 2020 as compared to 2018, demonstrating by the fact that enterprises no longer have to print and submit declarations and other papers in the customs dossier often. The request for provision of unrequired information and documents also reduced considerably. However, there is a sign of increase in the percentage of enterprises facing difficulties other than those mentioned above.

FIGURE 3.9

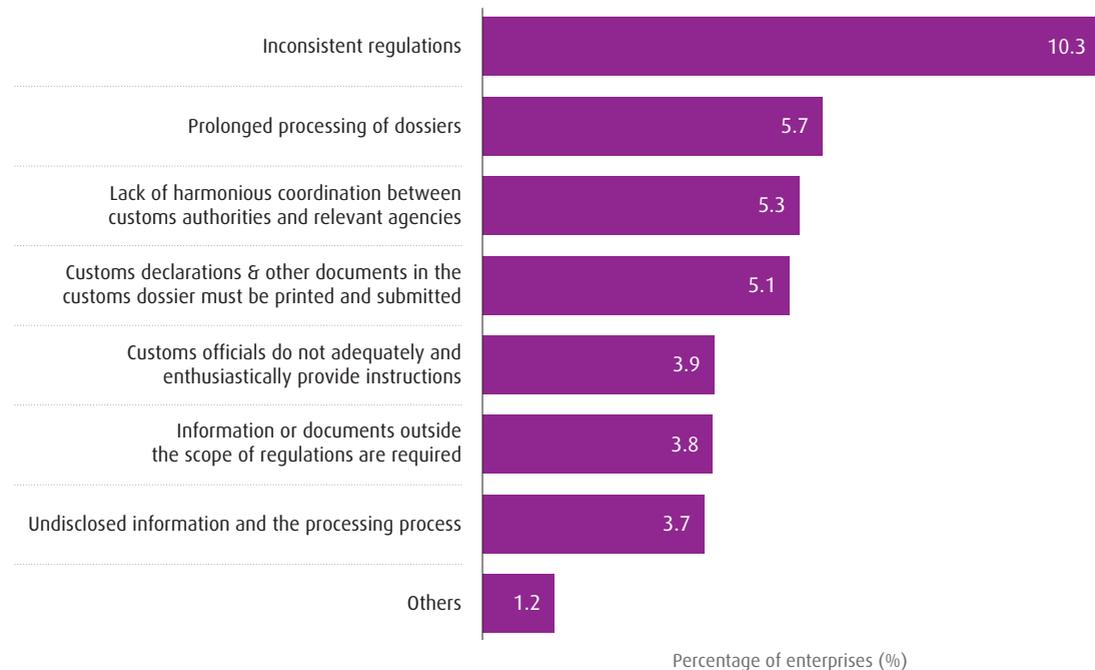
Main Difficulties Regarding Document Inspection in the Custom Clearance Procedure, with Comparison over Time



Similarly, with regard to the procedure for physical inspection of goods in the customs clearance procedure group, the issue of frequently changed/inconsistent regulations is also the biggest obstacle to businesses in compliance. Approximately 10.3% of enterprises have experienced this, a percentage higher than the other issue which is “prolonged processing of dossiers” (5.7%) (Figure 3.10). Other issues were also raised by enterprises but they are not too common in the compliance with this procedure, including “lack of harmonious coordination between customs authorities and relevant agencies” (5.3%), “customs declarations & other documents in the customs dossier must be printed and submitted” (5.1%), “customs officials do not adequately and enthusiastically provide instructions” (3.9%), “information or documents outside the scope of regulations are required” (3.8%) and “undisclosed information and the processing process” (3.7%).

FIGURE 3.10

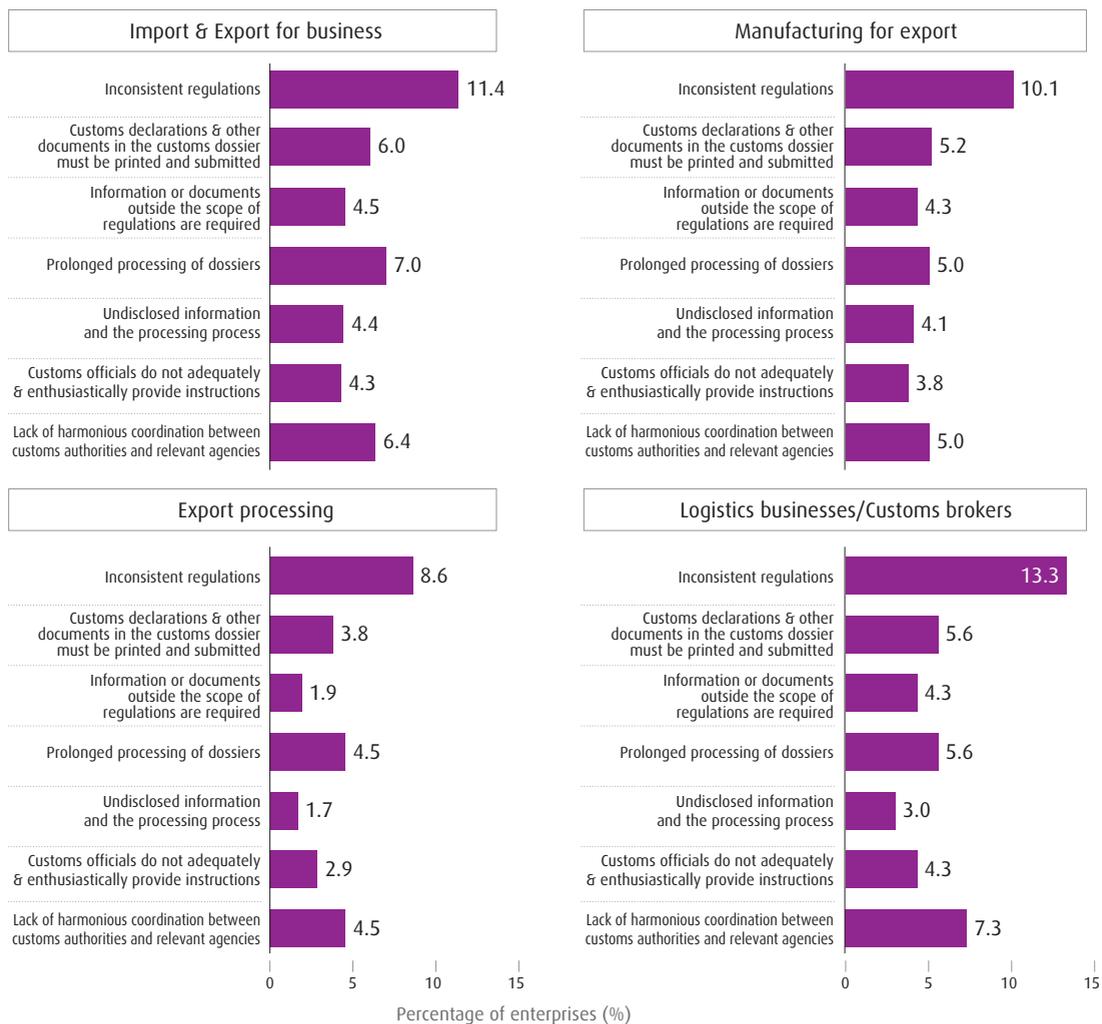
Main Difficulties in Compliance with the Procedure for Physical Inspection of Goods in the Customs Clearance Procedure Group



These difficulties are quite similar among various groups of enterprises in different main business areas. Enterprises providing logistics services or customs brokers are still the group that encounters more difficulties with the most common being “inconsistent regulations” (13.3%) and “lack of harmonious coordination between customs authorities and relevant agencies” (7.3%). Meanwhile, “customs declarations & other documents in the customs dossier must be printed and submitted” and “prolonged processing of dossiers” are more common for enterprises engaging in import and export for business (6% and 7% respectively).

FIGURE 3.11

Main Difficulties in Compliance with the Procedure for Physical Inspection of Goods in the Customs Clearance Procedure Group

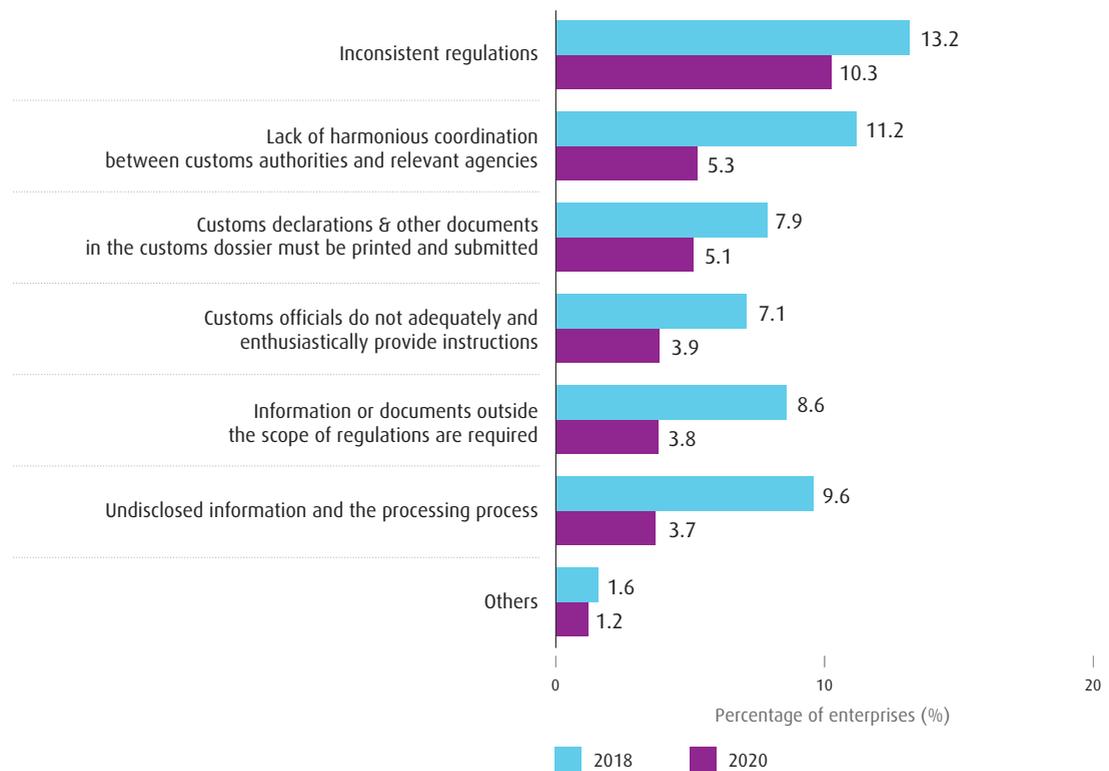


Note: There was only a small number of processing enterprises and other enterprises providing information in this aspect, thus the figure does not include data of these two groups

The tendency toward improvement continues to be observed in comparison with the 2018 results when the percentage of enterprises facing difficulties during physical inspection of goods reduces. This corresponds to improvements in the stage of customs clearance document inspection.

FIGURE 3.12

Main Difficulties in the Stage of Physical Inspection of Goods of the Customs Clearance Procedure, with Comparison over Time



Tax Administration Procedures

Main difficulties that enterprises often encountered when engaging in tax procedures include: (1) inconsistent regulations; (2) enterprises are required to provide information or documents outside the scope of regulations; (3) customs officers do not adequately and enthusiastically provide instructions; (4) lack of harmonious coordination between the customs authorities and relevant agencies.

Similar to customs clearance procedures, inconsistent administrative procedures for tax payment also created difficulties for enterprises. Figure 3.13 illustrates main challenges during the tax payment stage, while Figure 3.14 depicts difficulties during the tax refund stage of different enterprise types. At these stages, inconsistent regulations still caused the biggest difficulty for enterprises, followed by the lack of harmonious coordination between customs authorities and relevant stakeholders. A smaller proportion of enterprises was not fully instructed by customs officers or required to provide information and documents outside the scope of regulations. The impact order of these difficulties was basically the same for different business types (classified by main field of activity).

FIGURE 3.13

Main Difficulties During the Tax Payment Stage of Tax Administration Procedures

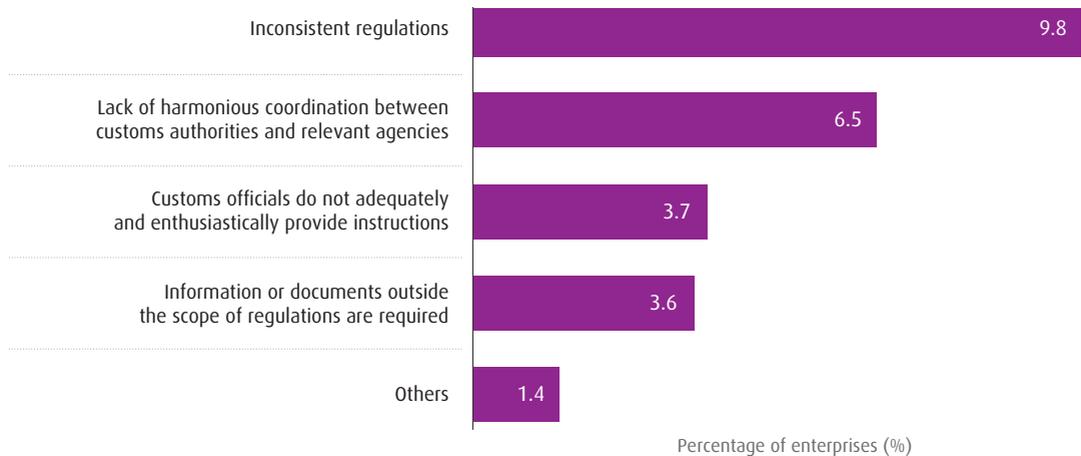
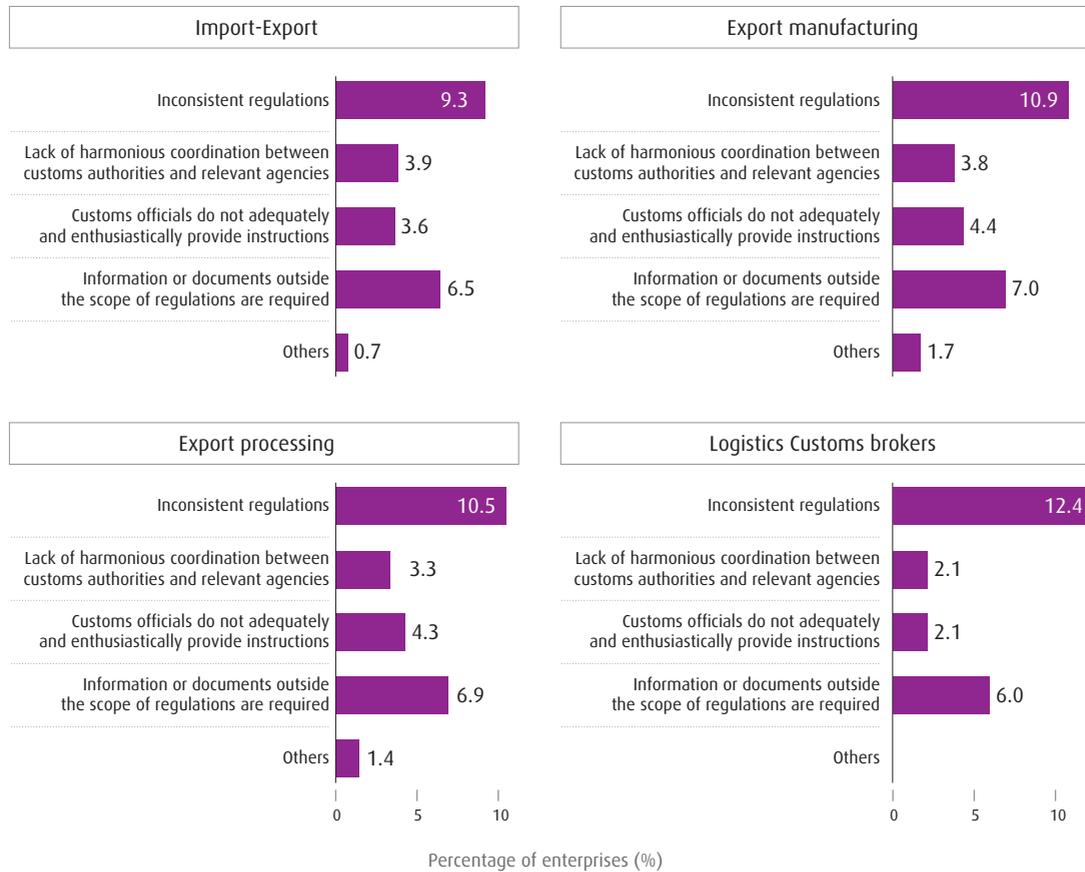


FIGURE 3.14

Main Difficulties During the Tax Payment Stage of Tax Administration Procedures, by Enterprise Type (Classified by Main Field of Activity)

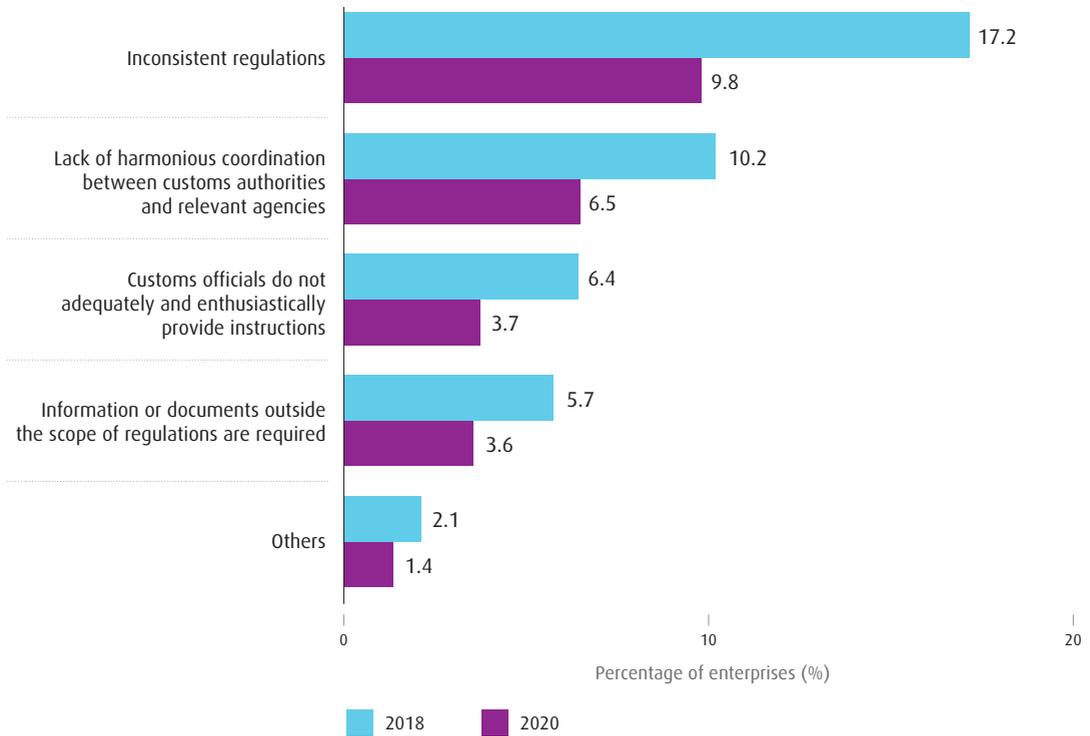


Note: Only a small number of processing companies and other enterprises provide information on this aspect, so the figure does not include these two groups of enterprises

Over time, the above problems have shown signs of improvement (Figure 3.15). While 17.2% of enterprises reported facing "inconsistent regulations" in 2018, this rate nearly halved in 2020.

FIGURE 3.15

Main Difficulties During the Tax Payment Stage of Tax Administration Procedures over Time



Enterprises also faced the same difficulties during the tax refund stage. This emphasizes the importance of perfecting, standardizing and stabilizing regulations on tax administration to facilitate easy and smooth compliance from enterprises. Approximately 12.4% of enterprises faced problems with tax refund regulations due to the instability of these regulations over time, while 6.5% of enterprises believed the coordination between customs authorities and other administrative agencies needed improvement (Figure 3.16). Again, logistics enterprises/customs brokers and export processing enterprises reported the most on "inconsistent regulations". Meanwhile, the requirement to provide information and documents outside the scope of regulations and the situation that customs officers did not provide adequate instructions on procedures were reported more by import-export enterprises and export manufacturing enterprises (Figure 3.17).

FIGURE 3.16

Main Difficulties During the Tax Refund Stage of Tax Administration Procedures

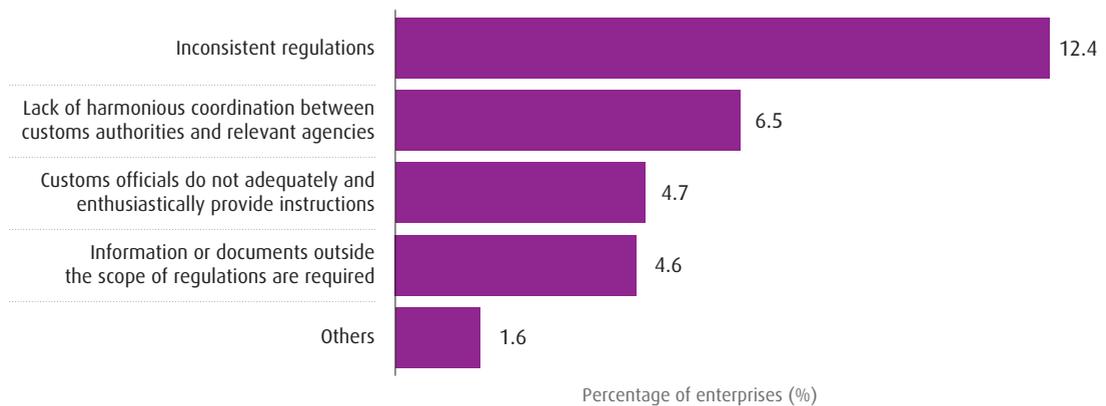
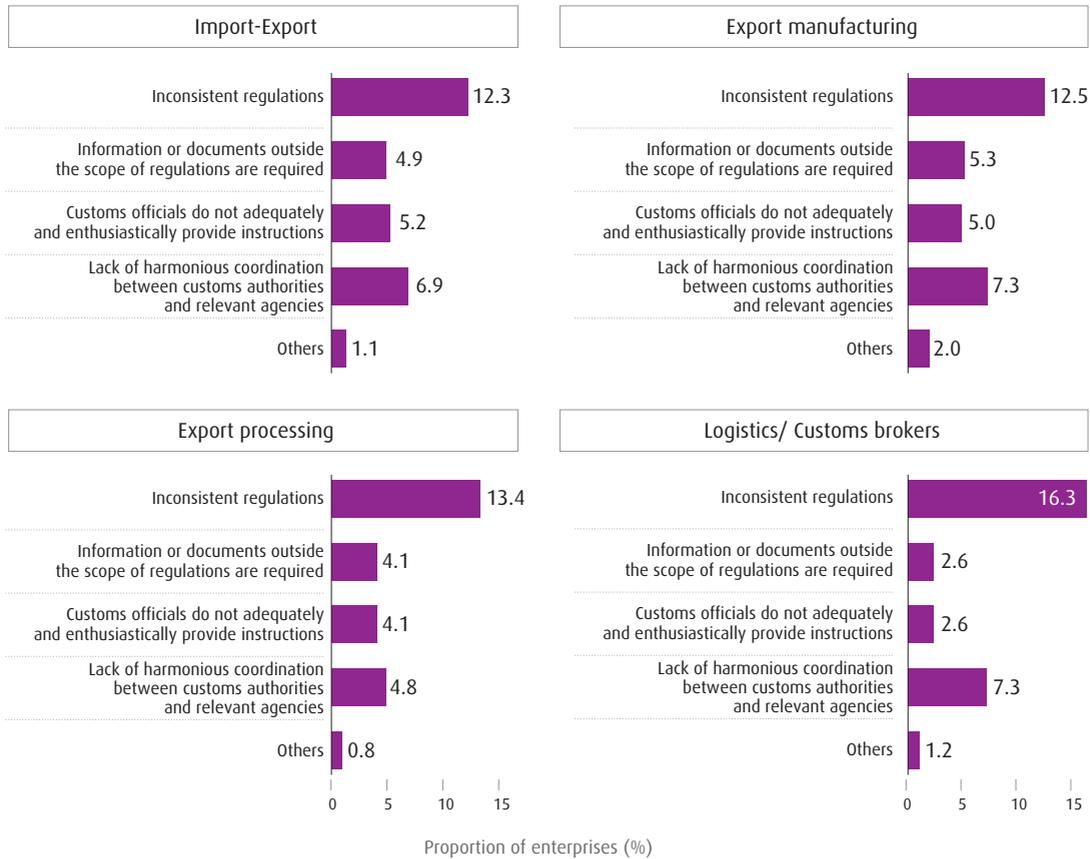


FIGURE 3.17

Main Difficulties During the Tax Refund Stage of Tax Administration Procedures, by Enterprise Type (Classified by Main Field of Activity)



Note: Only a small number of processing companies and other enterprises provide information on this aspect, so the figure does not include these two groups of enterprises

BOX 3.2

Some Practical Difficulties of Enterprises when Complying with Tax Administration Procedures

Through participating in the survey and answering to open-ended questions in the questionnaire, enterprises informed in detail a number of difficulties related to tax administration.

For example, enterprises complained that the submission of all kinds of declarations was still inadequate thus they often had to update with the State Treasury. Simultaneously, when performing this procedure, enterprises sometimes encountered a system error that could not be handled. In addition, it was still relatively slow in confirming that the tax payment arrived in State Treasury's account for the purpose of customs clearance of goods. An enterprise who was carrying out procedures to apply for tax exemption of goods serving national defense and security said that those procedures in fact were significantly slower than in the regulations, causing the enterprise's following shipments of goods to stop processing because there was still an information that the enterprise owed overdue taxes in the system.

In addition, many enterprises believed that the instability of tariff policy caused difficulties in bookkeeping operations. For the tax rate policy, some enterprises also wondered about tax calculation. For example, was it appropriate to calculate tax based on product shape? Some enterprises were unconvinced that their products which were in the shape of bar would be subject to a tax rate of 15%, which was higher than the tax rate for products in other shapes (usually a tax rate of 5%). They said that the shape of a product was customized and that the tax rate based on the shape needed to be reconsidered.

Enterprises also thought that the import tax refund procedure was quite complicated as many documents were required. They suggested that issuing authorities needed to come up with solutions to simplify the required documents. The enterprises proposed that the Customs authorities to consider allowing enterprises to merge different types of declarations and certificates of origin in the same tax refund application, without limiting the amount of tax refunded on one set of documents.

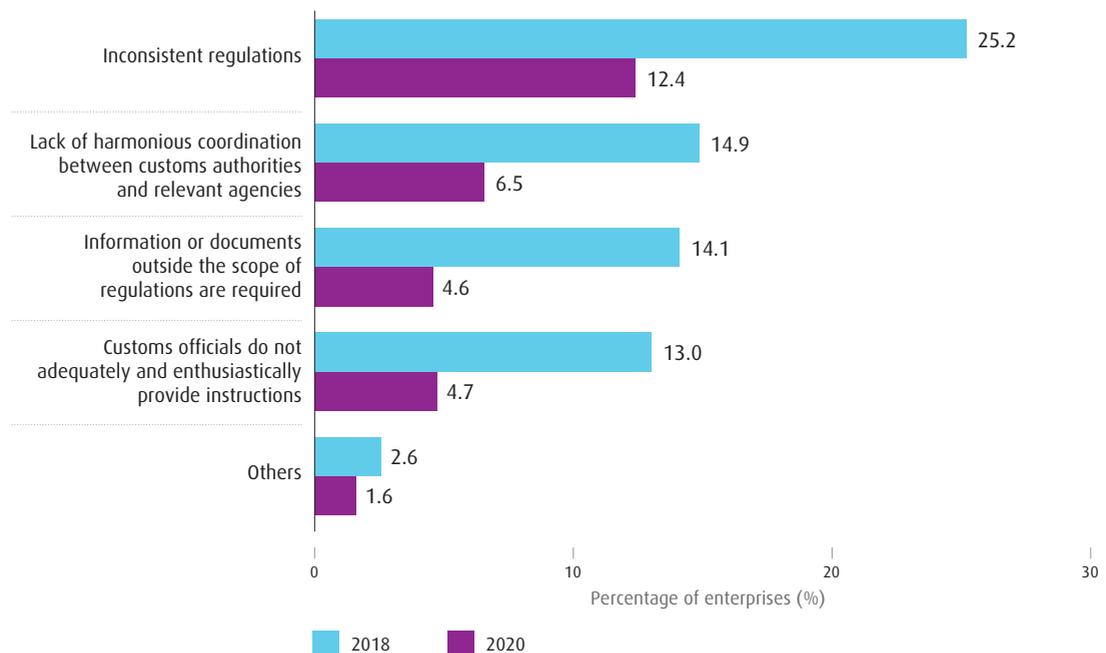
In addition, the instructions for carrying out procedures should be clear, specific and detailed so as not to cause different understandings between customs and enterprises. They also wanted GDVC to create a channel to update information on policies, changes in customs regulations, taxes, and international import-export laws so that it was convenient and easy to look up

Source: Summary of additional responses from some enterprises participating in the survey

Even so, the progress in dealing with tax refund procedures still needs to be recognized. During the tax refund stage, enterprises still faced difficulties similar to those during the tax payment stage. However, in general, these difficulties have been significantly reduced in the last 2 years (Figure 3.18). The proportion of enterprises facing each type of difficulty in 2020 was less than 50% of that of 2018. This was a marked improvement, demonstrating the effectiveness of recent reform programs in the tax and customs sectors.

FIGURE 3.18

Main Difficulties During the Tax Refund Stage of Tax Administration Procedures over Time



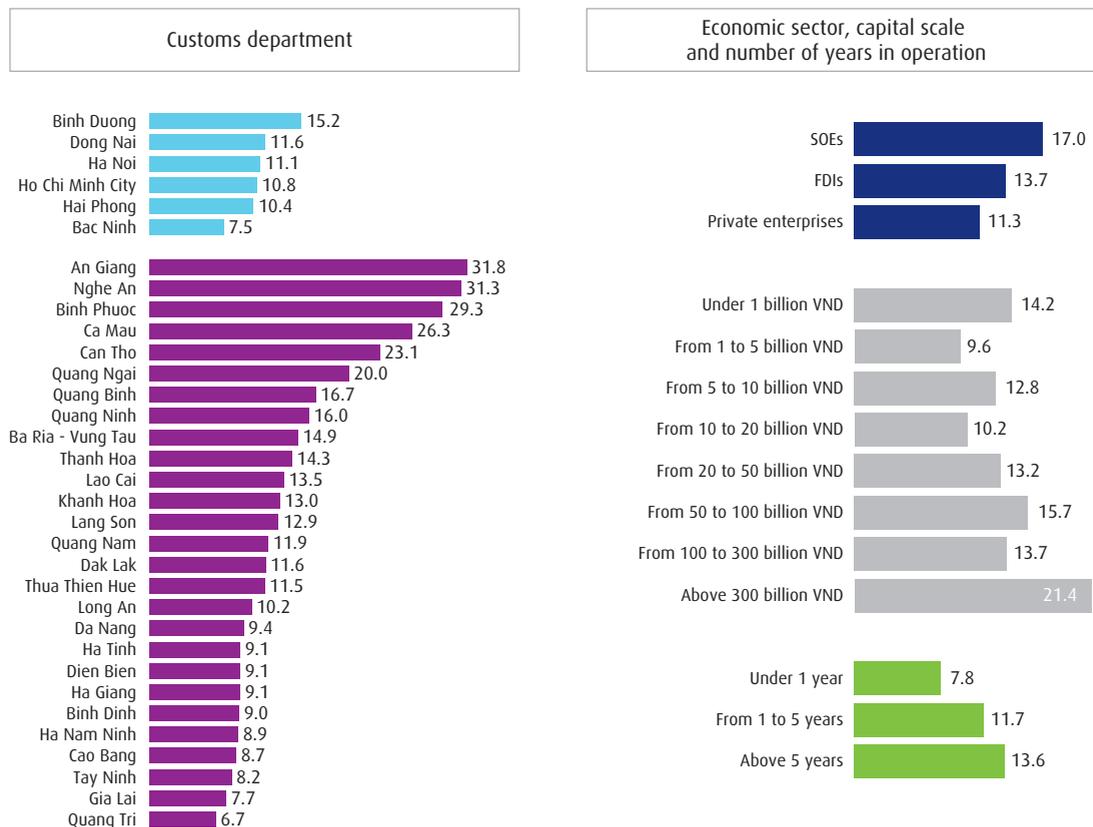
Post-Clearance Audit

Post-clearance audit plays an important role in the customs profession. This type of audit checks the reliability and transparency of the information enterprises have declared to customs authorities, by examining all kinds of commercial documents, banking and financial documents of the enterprises.

Out of the 3,657 surveyed enterprises, 418 enterprises reported having complied with post-clearance audit procedures in 2020, equivalent to 11.43% of the survey sample. The below figure illustrates the proportion of enterprises that underwent post-clearance audit, classified by provincial/municipal Customs Department, economic sector, size of enterprise, and by the number of years of engaging in customs procedures (Figure 3.19).

FIGURE 3.19

Proportion of Enterprises Undergoing Post-Clearance Audit in 2020



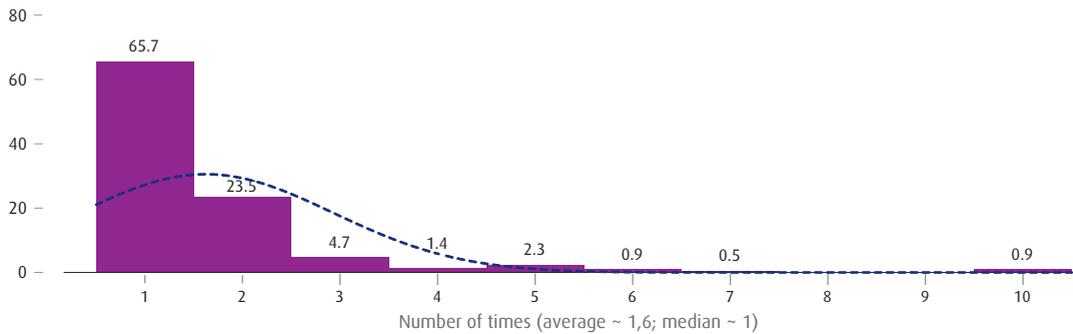
Note: Due to the very small of businesses at Kien Giang and Dong Thap customs department to this question, this figure does not include information of businesses assessed at these customs departments

Among those who provided information on post-clearance audit, a typical enterprise (both in private and FDI sectors) conducted this activity once in the past year. The average number of times private enterprises underwent post-clearance audit was slightly more than that of FDI enterprises (1.6 and 1.4, respectively). Figure 3.11 also shows that a small proportion of private enterprises (about 2.3%) reported having engaged in 5 or more post-clearance audits in the past year. This situation almost never happened to FDI enterprises.

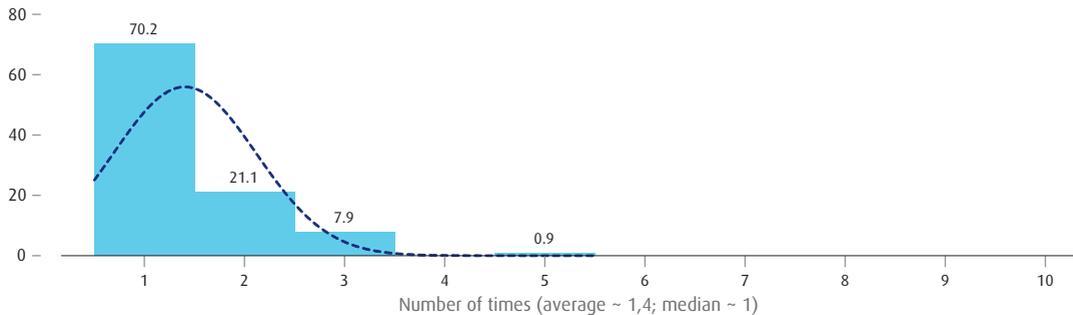
FIGURE 3.20

The Number of Times Enterprises Engaged in Post-Clearance Audit in the Past 12 Months

PRIVATE ENTERPRISES (%)



FDI ENTERPRISES (%)



It should be noted that the number of post-clearance audits in Figure 3.20 includes both direct audits at enterprises and audits at the customs office.⁴ If the number of direct audits at enterprises is left out, the overall number can be smaller, especially when the Customs sector was implementing the policy of minimizing audits in 2020, when enterprises were affected by the COVID-19 pandemic.

Out of the problems during post-clearance audit, enterprises faced the most difficulty with longer audit time than specified and overlapping audits by different customs units. Approximately 11.7% of enterprises undergoing post-clearance audit experienced prolonged inspection time. Similarly, 11.2% of enterprises reported that the Post-Clearance Audit Sub-Department inspected the consignments already inspected by the Customs Sub-Department at the checkpoint (Figure 3.21).

FIGURE 3.21

Main Difficulties Encountered When Undergoing Post-Clearance Audit



4 According to provisions of the Law on Customs, post-clearance audits can be conducted in two ways: audit at the customs office or at the enterprise site. Heads of Customs Sub-Departments have the authority to approve audit of cleared customs dossiers within 60 days, from the date goods are granted customs clearance to the date the audit decision is signed. Heads of Customs Departments have the authority to approve audit of customs dossiers that are subject to such audit as specified in Clauses 1 and 2, Article 78 of the Law on Customs.

Differences between enterprise types (classified by main field of activity) can be seen in Figure 3.22. Cases of "Inspection time taking longer than specified" occurred most frequently to logistics enterprises/customs brokers. Meanwhile, cases in which "Post-Clearance Audit Sub-Department inspected the consignments already inspected by the Customs Sub-Department at the checkpoint" occurred more frequently to export processing and import-export enterprises. Notably, a significant proportion of import-export enterprises reported that they were "required to provide information and documents outside the scope of regulations" (16.3%) and were faced with "overlapping audit contents" (19.4%) – This type of enterprise had to deal with these problems the most.

FIGURE 3.22

Main Difficulties Faced by Different Enterprise Types (Classified by Main Field of Activity) When Undergoing Post-Clearance Audit

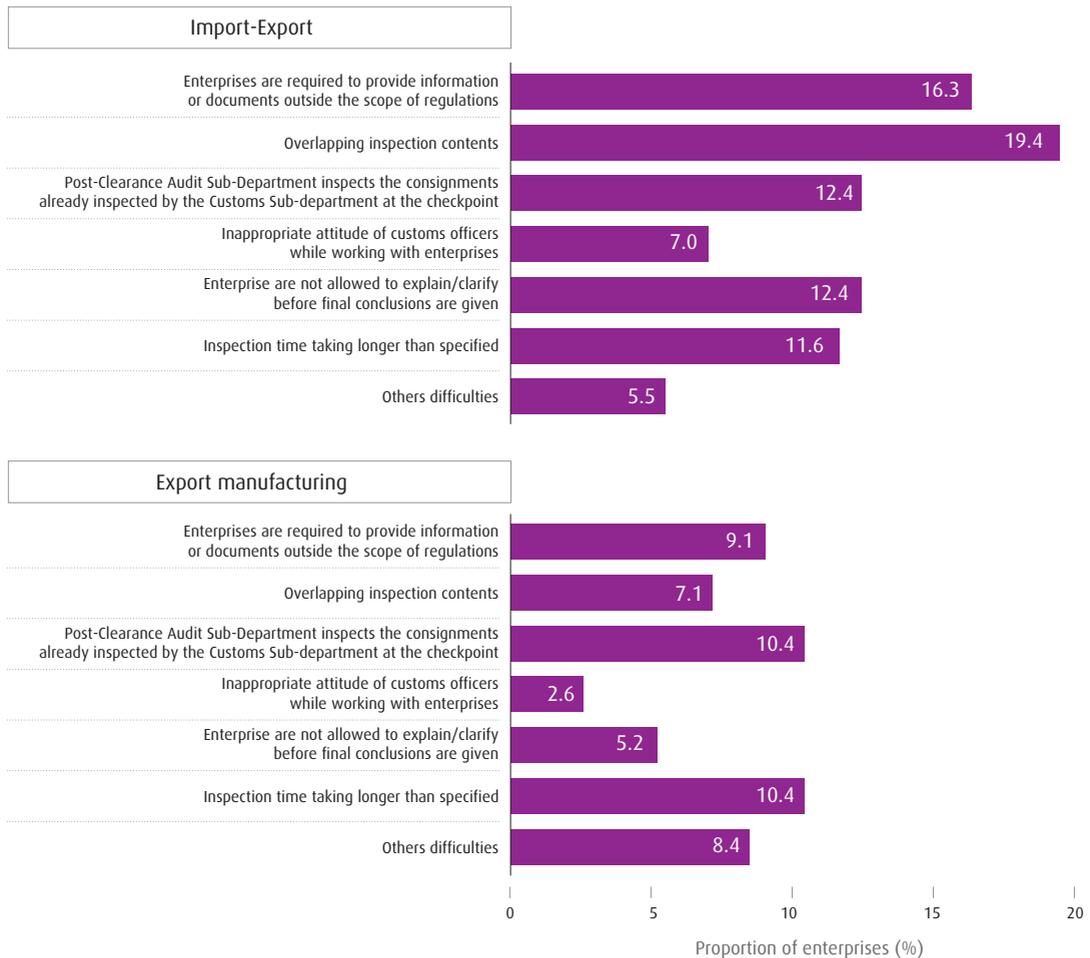
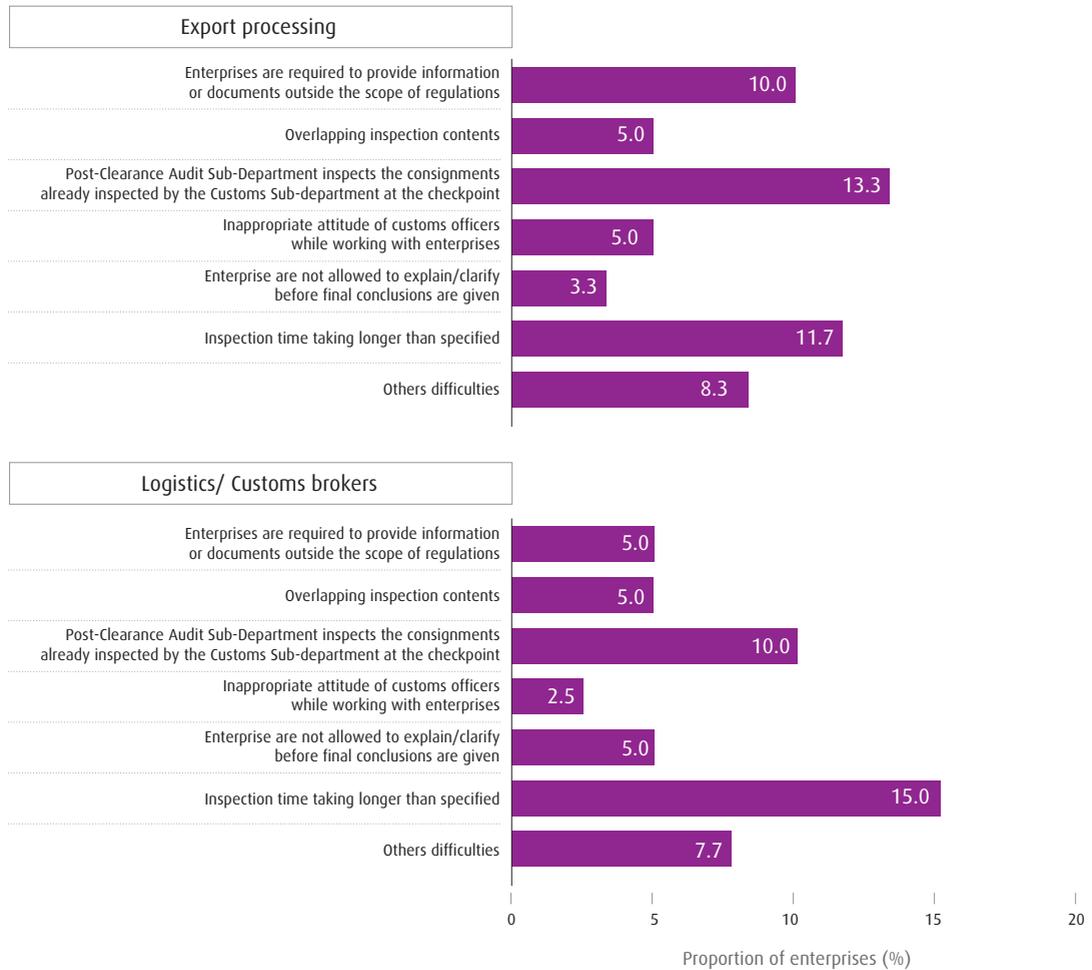


FIGURE 3.22

Main Difficulties Faced by Different Enterprise Types (Classified by Main Field of Activity) When Undergoing Post-Clearance Audit (*Continue*)

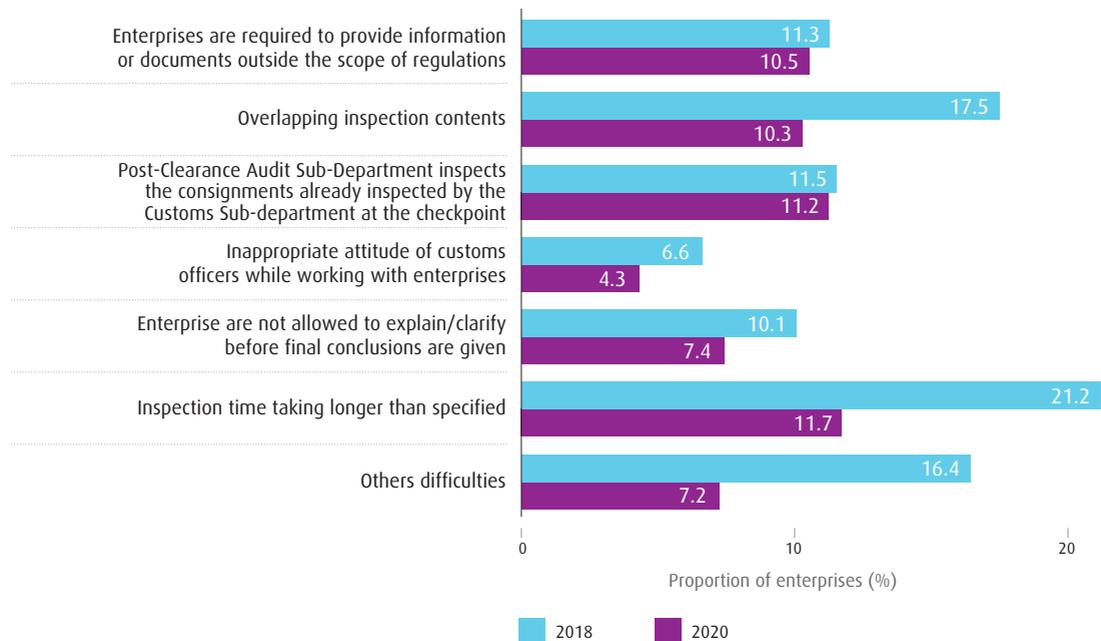


Note: Only a small number of processing enterprises and other enterprises provide information on this aspect, so the figure does not include these two types of enterprises

Compared to the 2018 survey results, there was a reduction in difficulties in 2020 (Figure 3.23). There have been obvious changes in certain difficulties, such as the reduction of overlapping audits and the reduction of prolonged inspection time. However, there have only been small changes in other difficulties, which were not significantly different from the past, such as cases of enterprises being required to provide information and documents outside the scope of regulations or cases of Post-Clearance Audit Sub-Department inspecting consignments already inspected by the Customs Sub-Department at the checkpoint. In general, these results are understandable in the context the COVID-19 pandemic took place in 2020. Over this time, the customs sector and various state management sectors have implemented the general policy of minimizing audits to remove difficulties for enterprises and help them re-operate. Therefore, the burdens with administrative procedures in post-clearance audits have also been significantly reduced for import-export enterprises.

FIGURE 3.23

Main Difficulties When Undergoing Post-Clearance Audit over Time



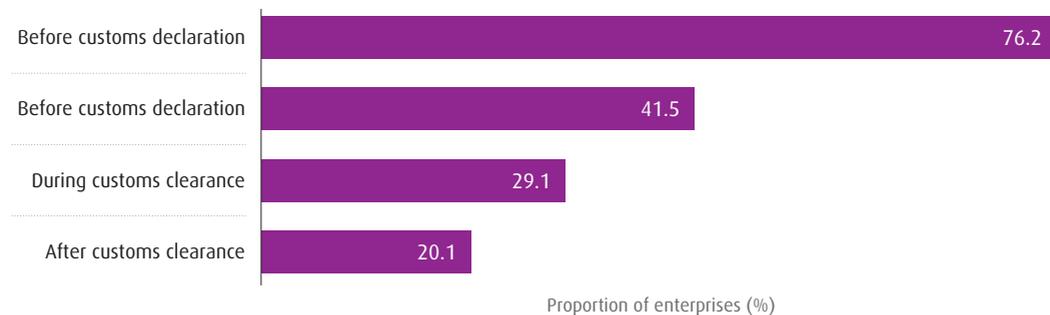
Procedures for Inspecting and Determining HS Codes and Procedures for Customs Value Consultation

In the 2020 survey, 35% of enterprises reported facing difficulties with procedures for checking and determining HS codes. It seems that these procedures were still challenging to many enterprises. However, it is worth noting that this rate has decreased significantly, compared to 53% in the 2018 survey. When engaging in procedures for checking and determining HS codes, in what stages did enterprises face the most difficulty?

The 2020 survey shows, among enterprises that reported facing difficulty in complying with these procedures, 76.2% faced difficulty before customs declaration, 41.5% during customs declaration, 29.1% during customs clearance and 20.1% after customs clearance (Figure 3.24).

FIGURE 3.24

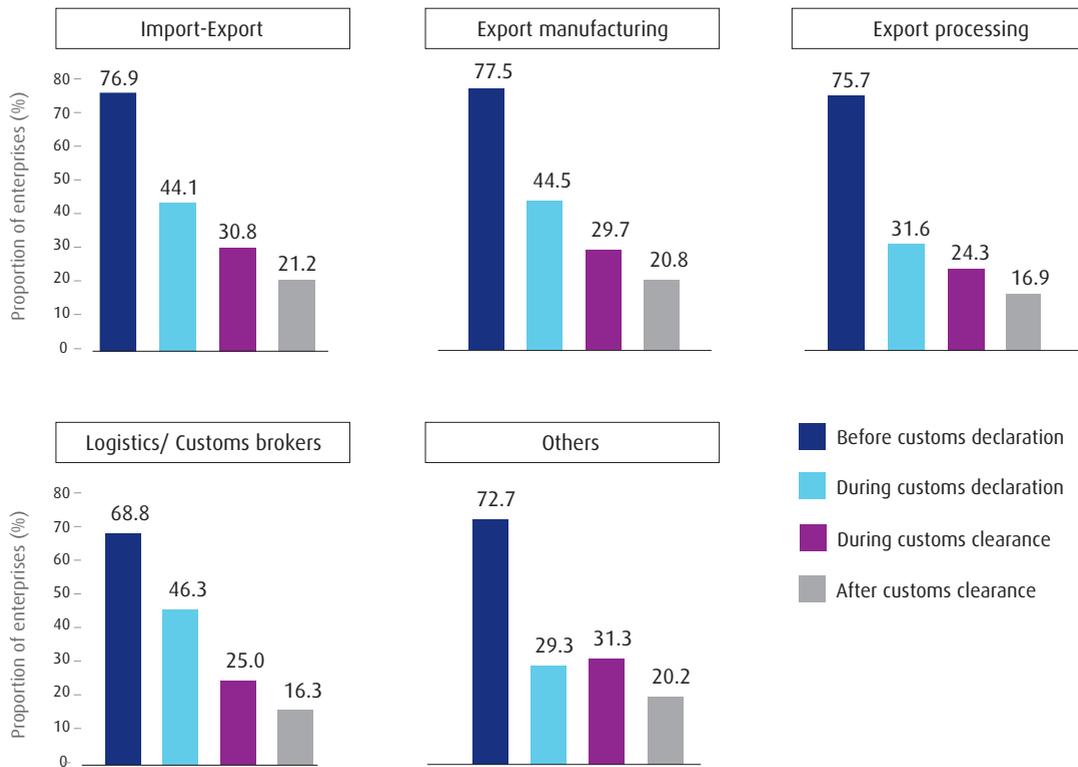
Main Difficulties When Complying with Procedures for Inspecting and Determining HS Codes



In general, export manufacturing and import-export enterprises faced more difficulties than other types of enterprises at all stages of checking and identifying HS codes (Figure 3.25). To all enterprise types, the top difficulty occurred during the pre-customs declaration stage, then came difficulties during customs declaration, customs clearance and post-customs clearance.

FIGURE 3.25

Main Difficulties When Complying With Procedures for Inspecting and Determining HS Codes, by Enterprise Type (Classified by Main Field of Activity)

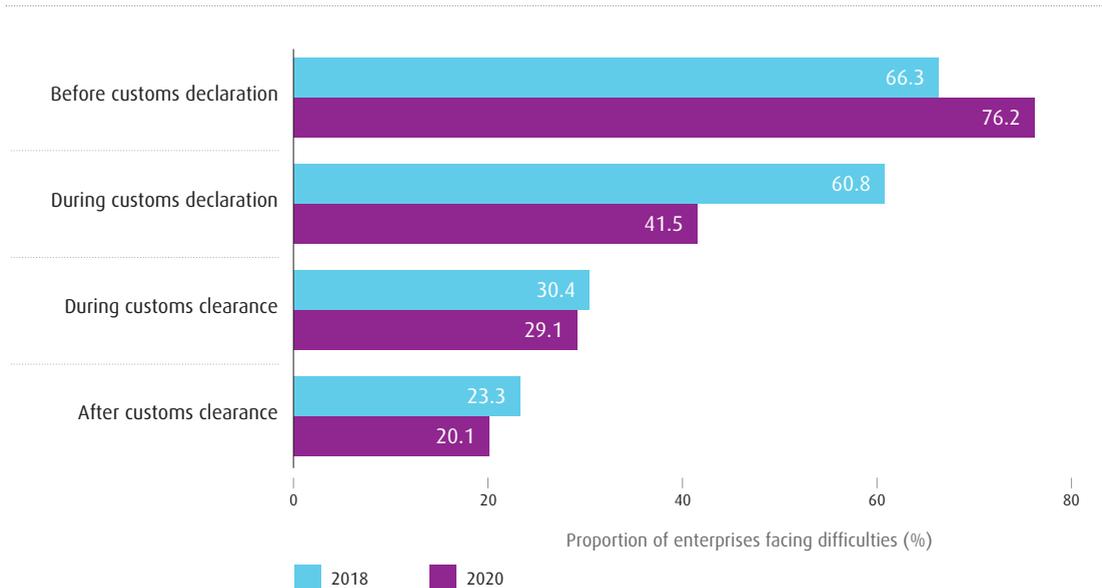


Note: Only a small number of processing enterprises provide information on this aspect, so the figure does not include data of this type of enterprises

Difficulties encountered when complying with procedures for inspecting and identifying HS codes during the pre-customs declaration stage need to be addressed (Figure 3.26). Contrary to the general trend in many other procedures or stages, compliance at this stage was not only more challenging for enterprises. There have been signs of rising difficulty in ensuring compliance in the past 2 years. In 2020, about 76.2% of enterprises faced obstacles in inspecting and determining HS codes during the pre-customs declaration stage, about 10% higher than the figure of 2018 (66.3%). Meanwhile, enterprises performed these procedures more easily at the customs declaration stage. The difference in the perceived level of ease during the clearance and post-clearance stages was insignificant, suggesting plenty of room for improvement.

FIGURE 3.26

Main Difficulties When Complying With Procedures for Inspecting and Determining HS Codes



Similarly, when it comes to procedures for customs value consultation, difficulties often occurred at customs declaration and customs clearance stages (Figure 3.27). Approximately 48.0% of enterprises had problems with customs valuation at the customs declaration stage. Approximately 43.9% of enterprises faced difficulty at the customs clearance stage. Meanwhile, the proportion of enterprises facing difficulty at pre-customs declaration and post-customs clearance stages was lower, at 33.9% and 31.3% respectively.

FIGURE 3.27

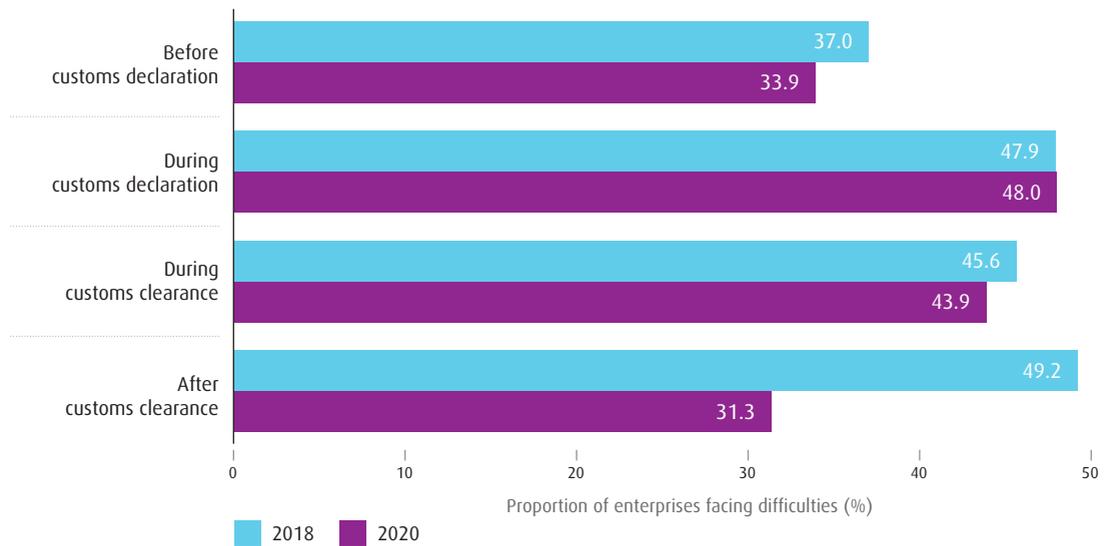
Main Difficulties in Complying with Customs Value Consultation Procedures



The progressive improvement in customs value consultation was most obvious at the post-clearance stage, as the proportion of enterprises facing difficulty decreased by about 18%. There was a slight improvement in the pre-customs declaration and customs clearance stages. However, at the customs declaration stage, enterprises faced the most difficulty, with 2020 figures showing little improvement compared to those of 2018.

FIGURE 3.28

Main Difficulties in Complying With Customs Value Consultation Procedures



Within the framework of this survey, a number of enterprises provided answers to open questions about their difficulties.

Please describe the specific difficulties your enterprise faced when undergoing procedures for inspection and determination of HS codes, and when undergoing customs value consultation

Regarding the implementation of procedures for inspecting and validating HS codes

Many enterprises said they often faced problems in determining the correct codes for new goods, thus wasting a lot of time. Some customs officers were reported to have provided inconsistent instructions on how to apply the HS codes, or even provided wrong codes. The problem of inconsistent HS codes sometimes occurred during interactions between different customs sub-departments, or between enterprises and customs authorities.

Some enterprises reported that customs authorities could not give a convincing explanation when the HS codes applied by enterprises and customs authorities differed. The customs officer might even reject the HS code applied by the enterprise (determined based on the characteristics of the goods and the HS applied from the exporting country). If the customs officer agreed with the code, the enterprise still had to provide thorough explanation alongside specialized information, a time-consuming process.

It was not easy to consult customs authorities to determine HS code before the customs declaration stage. It was neither easy to send sample goods to customs goods inspection authorities to determine HS codes beforehand. These tasks usually took a long time and goods had to wait outside ports/airports, thus increasing costs.

There were cases when enterprises only imported non-commercial samples in very small quantities for testing purposes, but the value of goods on their invoice was not accepted. Instead, these enterprises were required to redetermine prices and apply the value of a similar good.

Regarding customs value consultation

Some enterprises reported they were given unfounded consultation and deviated from procedures specified by relevant legal documents. Specifically, some customs officers used Google to search for goods with the same value and applied retail prices on overseas e-commerce sites to the goods, even though the enterprises had not made purchase from e-commerce sites.

In addition, many enterprises said there should be more flexibility in customs value consultation. For example, there was an enterprise that imported a product once a month, and the price of that product did not change. The enterprise presented proof of consistent price as the price only changed once every 3 months or less in congruence with the widely publicized world raw material prices. However, the enterprise still had to undergo customs value consultation for each import. The enterprise believed that such procedures were complicated and time-consuming, thus raising their costs.

Some other enterprises said they provided official dispatches based on available formats and forwarded all necessary documents, but still received negative feedback from customs authorities at the customs valuation consultation stage. The customs authorities did not specify which information the enterprises were lacking. The enterprises called the one-stop service department but was informed that the responsibility lied within another department. They then called this department multiple times, but the process took all day. There was no officer stepping up and solving the problem for these enterprises.

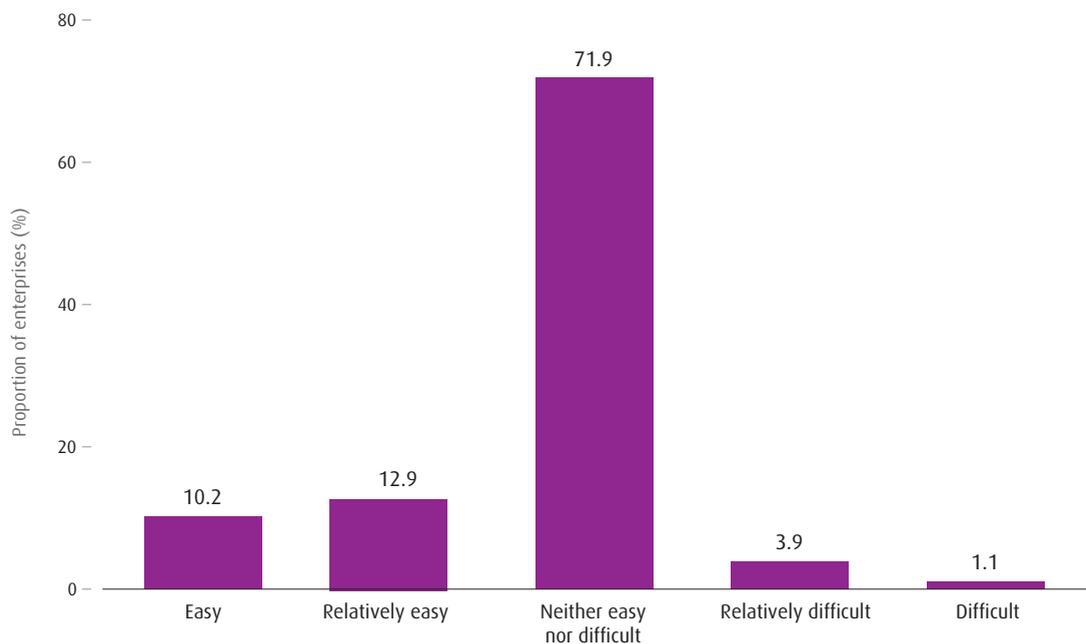
Procedures Related to the Inspection of Processing and Export Manufacturing Establishments

Inspection of processing and export manufacturing establishments is normally carried out on enterprises who import goods for processing or enterprises who manufacture goods for export. Customs authorities can also inspect processing and export manufacturing establishments on the grounds of risk management. Out of the 3,657 surveyed enterprises, 1,466 said they were processing, export manufacturing or export processing establishments.

Enterprises were asked to rate the level of ease when complying with these procedures based on the following scale: easy - relatively easy - neither easy nor difficult - relatively difficult - difficult. *The majority of enterprises rated the level of ease when complying with procedures for inspection of processing and export manufacturing establishments as “neither easy nor difficult” (71.9%) (Figure 3.29). Approximately 5.0% of enterprises still faced difficulty with these procedures. The analysis shows that most of them were private enterprises with export manufacturing activities.*

FIGURE 3.29

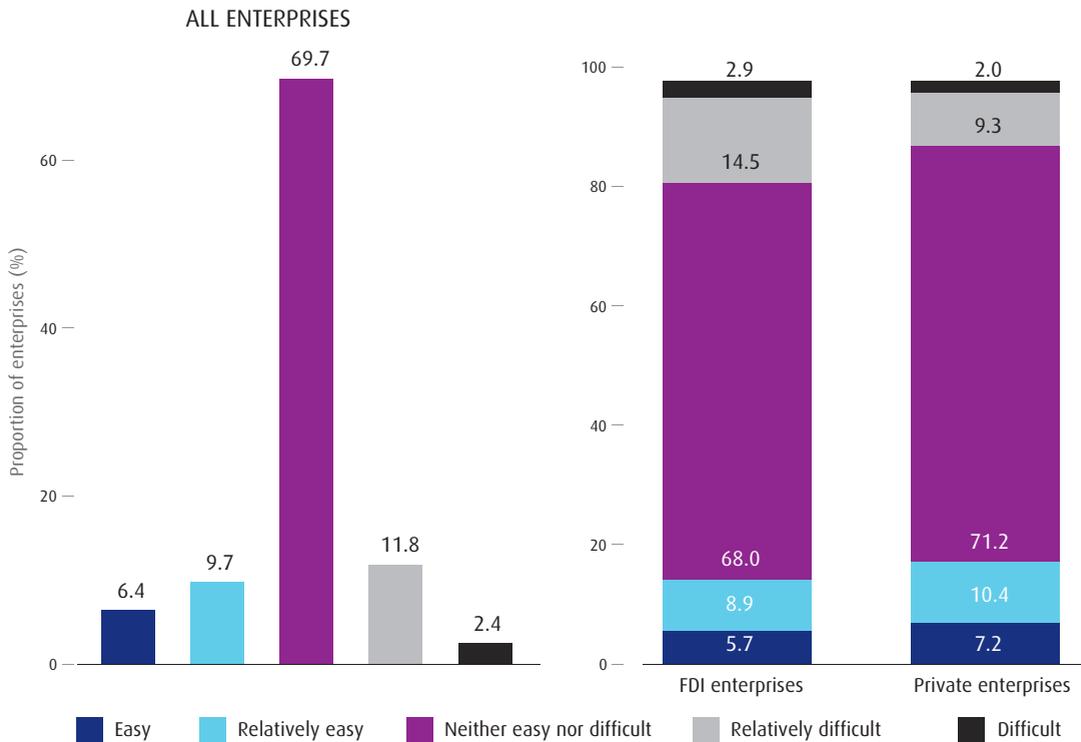
Ease of Complying with Procedures for Inspection of Processing and Export Manufacturing Establishments; Verification of Production Capacity



Since these procedures concerned enterprises that imported raw materials for export manufacturing purposes and enterprises that performed processing activities with foreign traders, these enterprises shall be responsible for producing the final account of raw material and supply input – output – inventory, based on form No.15/BCQT-NVL/GSQL. One question in the survey aimed to explore the process of preparing and submitting the Final Accounts based on form No.15/BCQT-NVL/GSQL. The majority of enterprises rated the level of ease as “neither easy nor difficult” (69.7%); however, the rate of enterprises facing difficulty (14.2%) was nearly equivalent to that of enterprises enjoying easy procedures (16.1%) (Figure 3.30). The proportion of FDI enterprises facing difficulty was 17.4%, higher than that of private enterprises (11.3%).

FIGURE 3.30

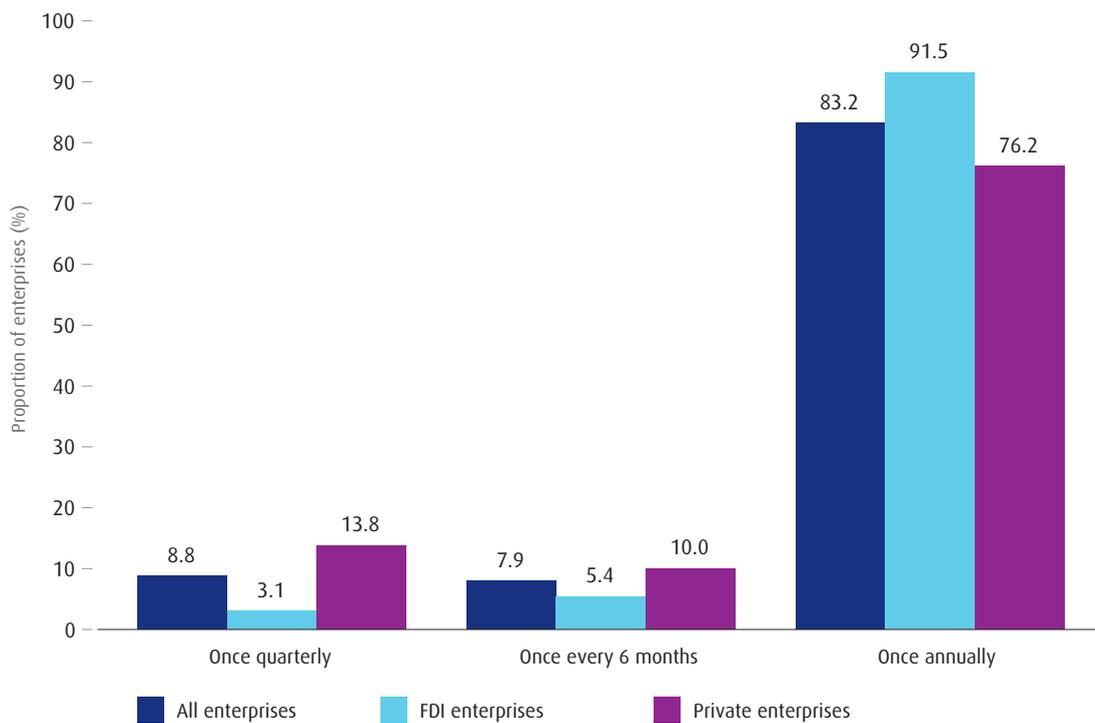
Evaluation of The Preparation and Submission Process of Final Accounts Based on Form No.15/BCQT-NVL/GSQL



The appropriate frequency to produce Final Accounts based on form No.15/ BCQT-NVL/GSQL is 1 time/year as proposed by 83.2% of enterprises. This proposal was supported by 91.5% of FDI enterprises and 76.2% of private enterprises (Figure 3.31). This can be the most appropriate frequency to reduce compliance costs for enterprises.

FIGURE 3.31

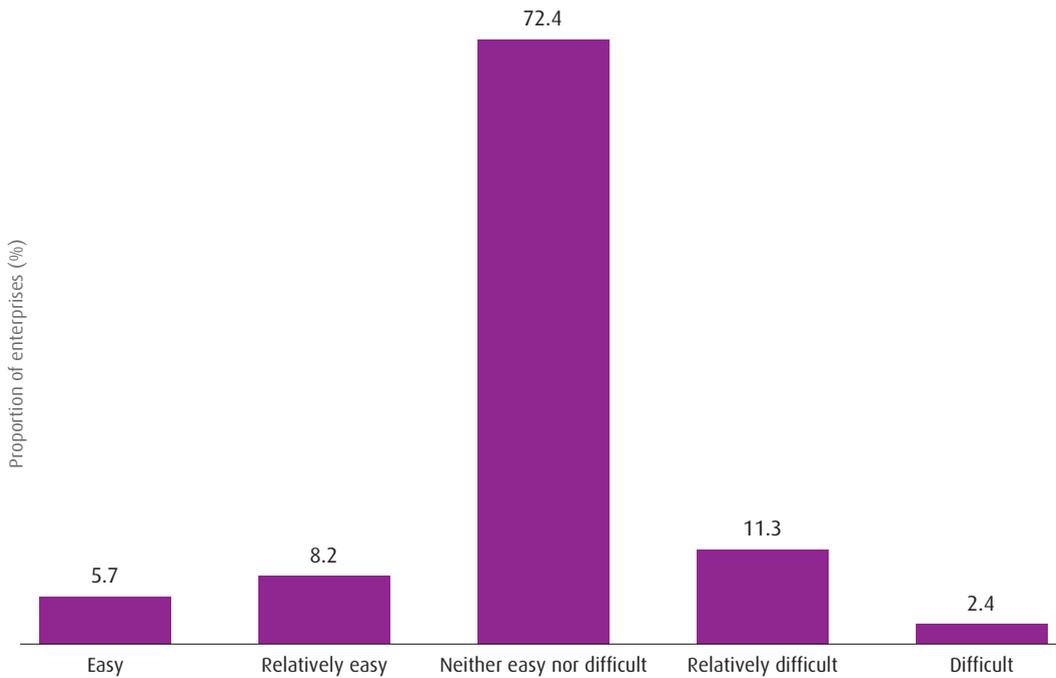
Appropriate Frequency to Produce Final Accounts Based on Form No.15/BCQT-NVL/GSQL



Regarding procedures for producing final accounts of input – output – inventory of raw materials, supplies and export goods, the majority of enterprises (72.4%) perceived a “neither easy nor difficult” level of ease when complying. However, it is worth noting that the proportion of enterprises having difficulty with these procedures was equivalent to the proportion of enterprises enjoying easy procedures. Specifically, 13.9% of enterprises rated these procedures as easy or very easy. At the same time, 13.7% of enterprises rated these procedures as relatively difficult or difficult.

FIGURE 3.32

Ease of Compliance with Procedures for Producing Final Accounts and Final Accounts of Input – Output – Inventory of Raw Materials, Supplies and Exported Goods

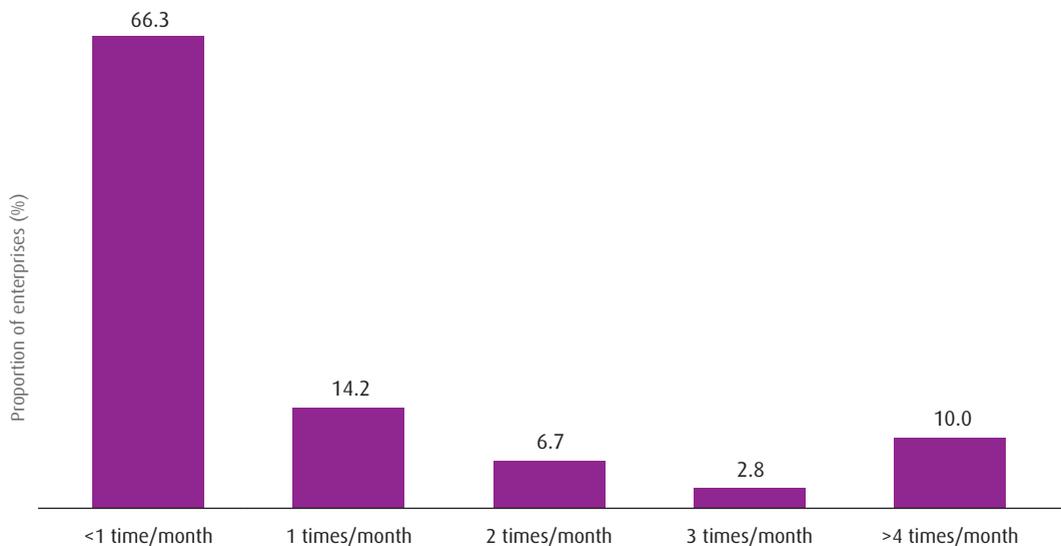


Procedures for Physical Inspection of Import and Export Goods Via Container Scanners

Import and export goods transported by containers must be checked via container scanners at goods gathering and goods inspection zones in the port. *About 66.3% of enterprises reported undergoing physical inspection of import and export goods via container scanners no more than once per month (meaning the interval time was 2 months or more), while about 14.2% of enterprises underwent these procedures every month. 6.7% of enterprises underwent inspection twice a month and 2.8% of enterprises underwent inspection thrice a month. Notably, about 10% of enterprises underwent these procedures four or more times a month.*

FIGURE 3.33

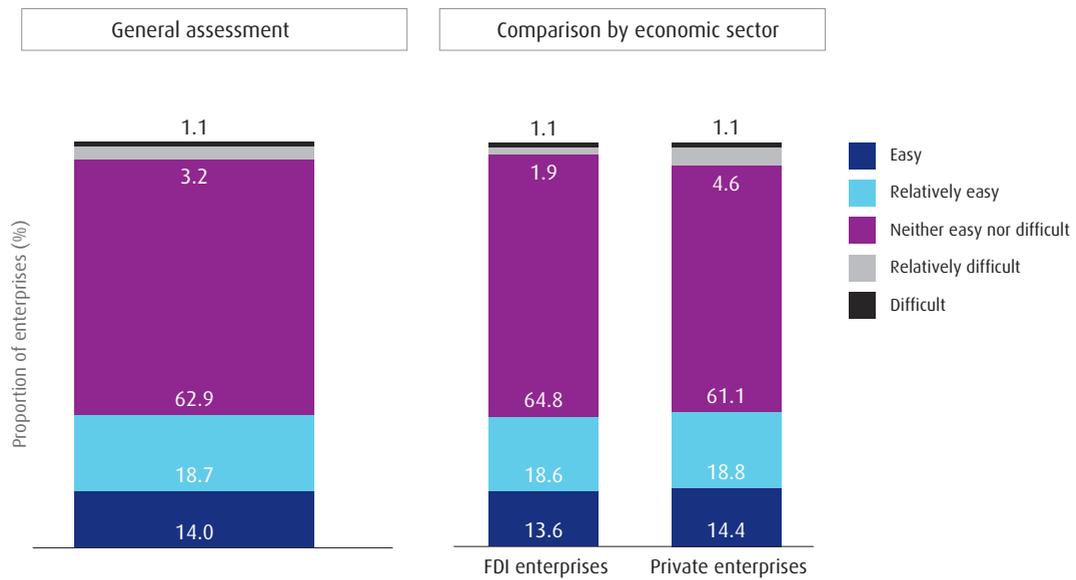
Goods Inspection Via Container Scanners



In general, compliance with physical inspection of goods via container scanners was smooth for most enterprises. The majority of enterprises that have undergone these procedures rated the ease of compliance as “neither easy nor difficult” (62.9%), while 32.7% chose “easy” or “relatively easy” and only about 4.3% faced difficulties with these procedures. Private enterprises faced more difficulties than FDI ones (5.7% and 3.0%, respectively), but the difference was quite small.

FIGURE 3.34

The Level of Ease in Complying with Physical Inspection of Goods via Container Scanners



Support from Customs Authorities

73.8% of the surveyed enterprises sought some form of assistance from customs authorities in 2020 (Figure 3.35). In which, state owned enterprises sought the most assistance (80.8%). The support-seeking rates for FDI and private enterprises were 78.0% and 71.7%, respectively.

FIGURE 3.35

Did your Enterprise Seek Help from Customs Authorities?



Enterprises receiving assistance from customs authorities evaluated these authorities on two aspects:
(i) Was the support effective? (2) Was the support timely?

87.2% of enterprises deemed the support from customs authorities effective, while about 85.3% deemed such support timely (Figure 3.36). Evaluation of the support from different Customs Departments was also relatively optimistic, as the majority of enterprises praised the effectiveness of their support. Meanwhile, in terms of timeliness, enterprises working with some Customs Departments such as Ho Chi Minh City, Binh Phuoc and Ha Nam Ninh expected customs authorities to support them more proactively and quickly (Figure 3.37).

FIGURE 3.36

Evaluation of Support from Customs Authorities

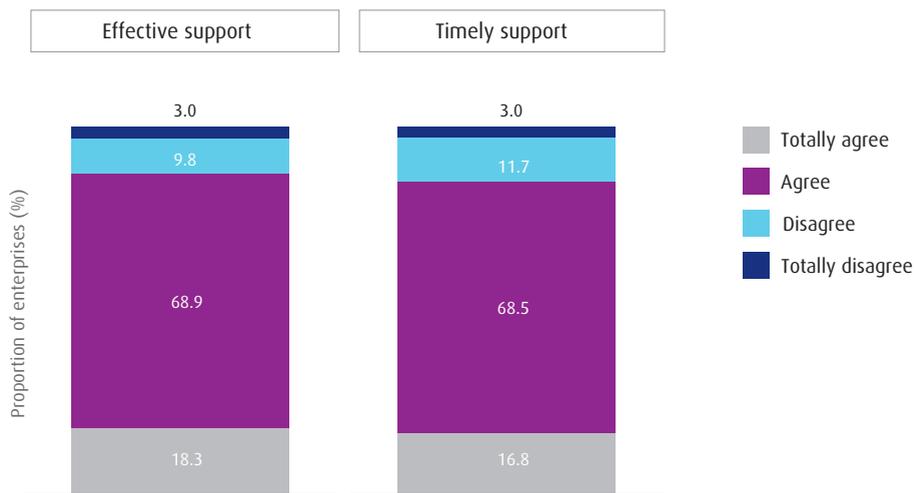
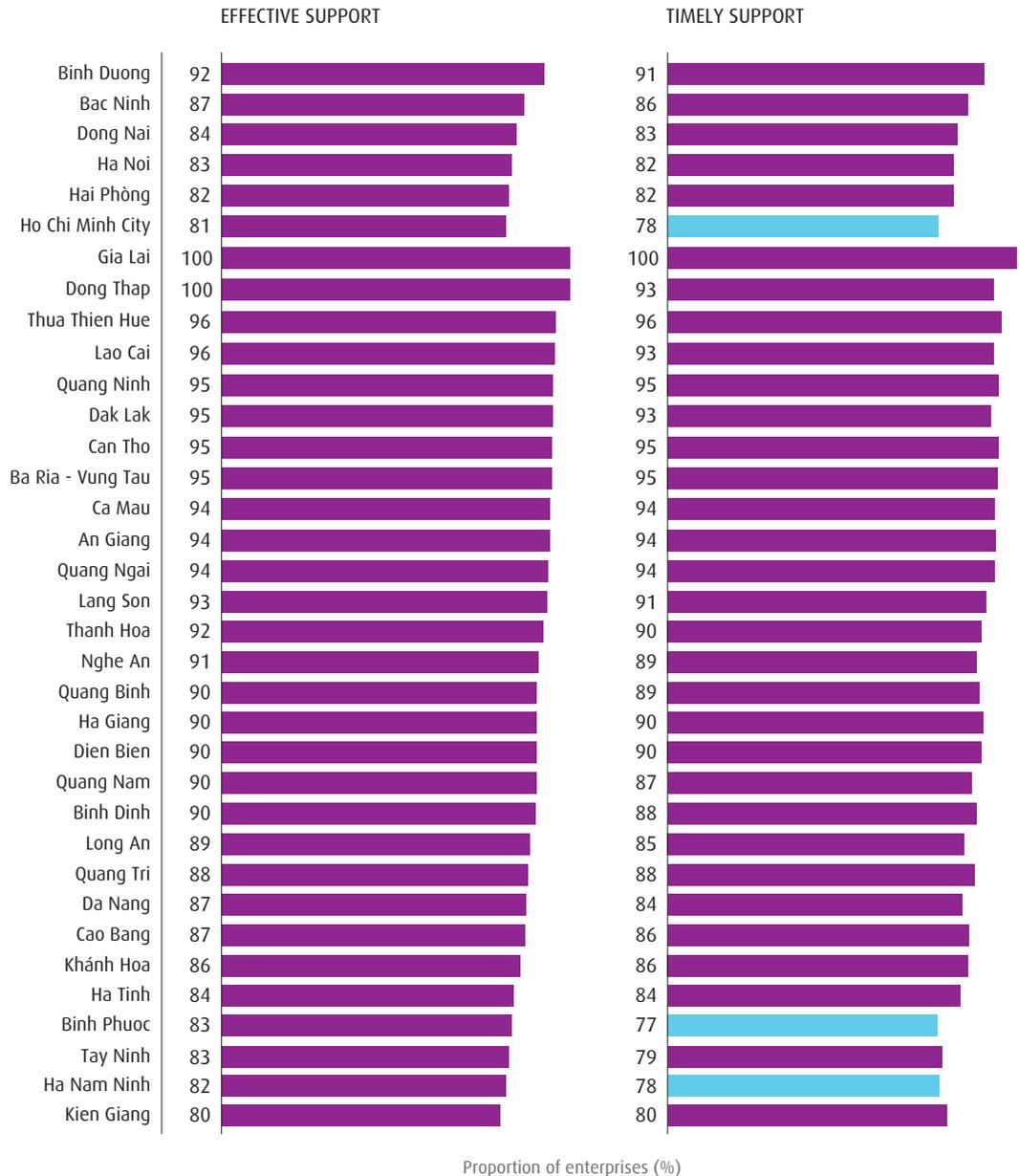


FIGURE 3.37

Evaluation of Support from Customs Authorities - by Customs Department

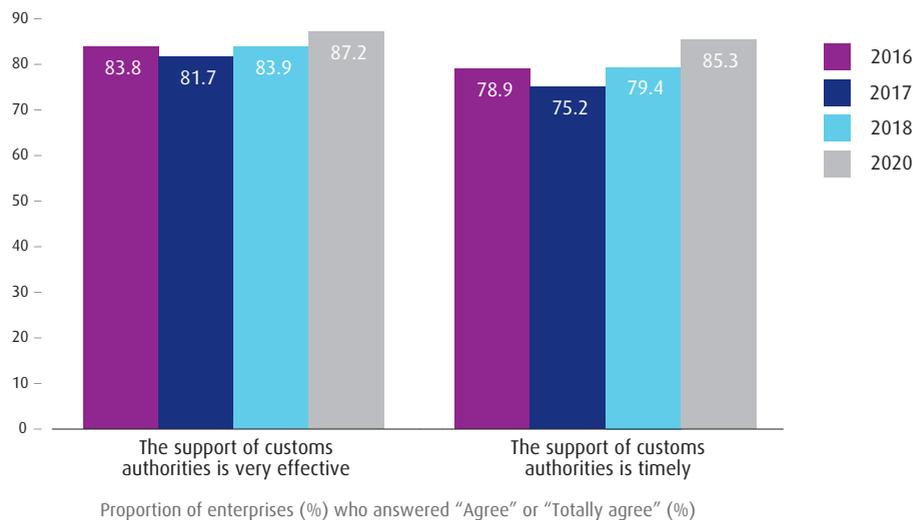


Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
Question B6. Enterprises assessment on the following statements regarding the support of customs authorities.
Note: The blue bars indicate the lowest values of "Agree/Totally agree"

In general, the results reflected a positive trend, evidenced in the rise in positive evaluation between the 2016 and 2020 surveys (Figure 3.38). The proportion of enterprises agreeing with the statement "The support of customs authorities is very effective" has increased from a low of about 82% (in 2017) to about 87% (in 2020). Similarly, the proportion of enterprises agreeing that "The support from customs authorities is very timely" has increased by approximately 10%, from 75% (in 2017).

FIGURE 3.38

Evaluation of Support from Customs Authorities over Time









04

PROCEDURES FOR
SUPERVISION OF GOODS

After successfully implementing the VNACCS electronic customs clearance system and maintaining the modernization of customs operations, GDVC started implementing the VASSCM automated customs management system at several units from August 2017. As of 15/03/2021, VASSCM has been deployed at 33/35 provincial/municipal Customs Departments. Notably, the system has been deployed at the airport of the Hanoi Customs Department, engaging 3 warehouse operators; at 287 seaports and warehouses of over 30 customs departments with 79 branches; at bonded warehouses of more than 23 customs departments with 60 branches nationwide, engaging 177 operators.⁵

Just after more than 2 years, VASSCM has been praised in many aspects. Specifically, the implementation of this system has fundamentally changed the mode of customs goods management and supervision: Manual and paper-based procedures have been replaced with electronic and automated procedures. The implementation of the system has brought many benefits to the people and enterprises when undergoing administrative procedures, by: Simplifying and harmonizing customs procedures in goods management; saving time and lowering customs costs for declarants. At the same time, the system has helped strengthen the management capacity of customs authorities, particularly in inspecting, supervising, controlling and improving corporate compliance, preventing trade fraud and smuggling and ensuring national security.⁶

According to GDVC, the VASSCM system has increased the level of automation in interactions between customs authorities and port/warehouse/deport operators; concurrently, the system has brought many benefits to import and export enterprises, helping to reduce goods release time, costs, documentation, travel time... For customs authorities, the system has helped enhance their ability to manage and supervise goods entering, leaving and left in stock at warehouses, depots and ports; in addition, it has helped depot/warehouse/port operators and airports to be proactive in building operational and business plans, thus reducing costs, improving competitiveness, increasing goods flow...⁷

The 2020 survey shows that 56% of enterprises engaged in procedures for confirmation of goods passing through the customs supervision zone via the automated customs management system, a significant increase from just 43% in 2018. As shown in the chart right of Figure 4.1, in 2020, 68% of SEs, 60.9% of FDI enterprises and 54.5% of private enterprises engaged in procedures for confirmation of goods passing through the customs supervision zone via the automated customs management system. Compared to 2018, the proportion of enterprises engaging in these procedures increased across all economic sectors.⁸ Figure 4.1 also depicts the proportion of enterprises that have undergone procedures for confirmation of goods passing through the automatic customs supervision zone, by main field of activity. Among the enterprises participating in the 2020 survey, the export processing enterprise group had the highest rate of engaging in these procedures (at 74.1%), while import-export enterprises had the lowest rate, but this rate still reached 53.1%.

5 The General Department of Vietnam Customs, 04/2021

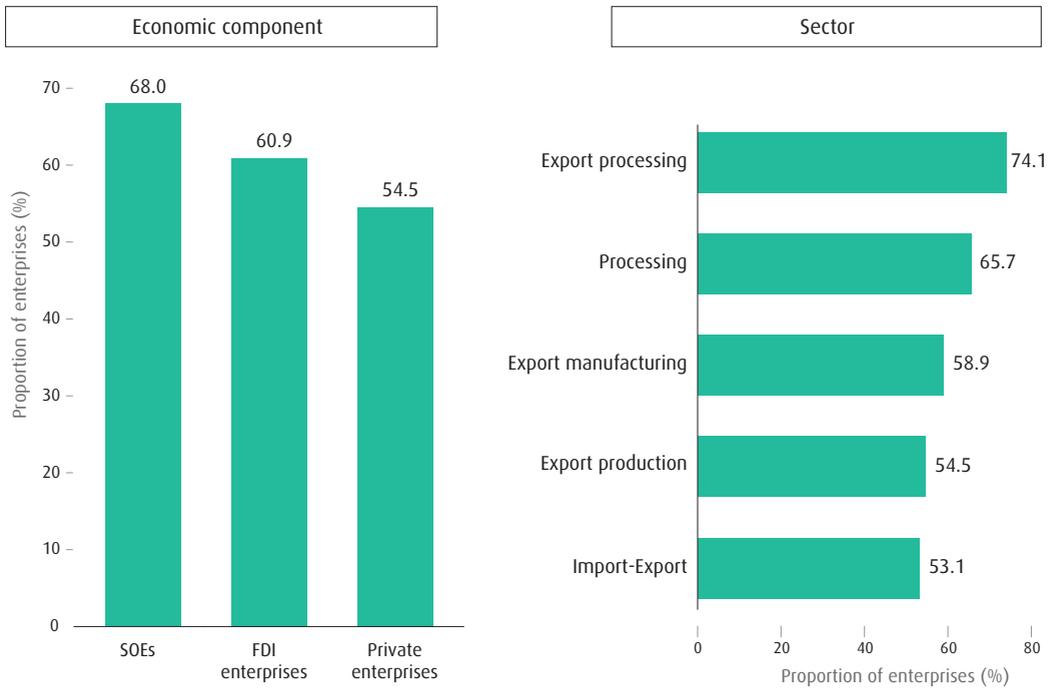
6 Officially implementing the National Single Window and automated customs management and supervision system at Noi Bai International Airport, <https://vnsw.gov.vn/profile/detailNews.aspx?id=244>

7 414 operators have implemented VASSCM system, <https://tapchitaichinh.vn/su-kien-noi-bat/414-doanh-nghiep-da-thuc-hien-ket-noi-he-thong-vasscm-318286.html>

8 Satisfaction level of enterprises when undergoing import and export administrative procedures in 2018: The proportion of enterprises that have undergone procedures for confirmation of goods passing through the customs supervision zone via the automated customs management system was: 49% for SEs, 47% for FDI enterprises and 40% for private enterprises, page 57

FIGURE 4.1

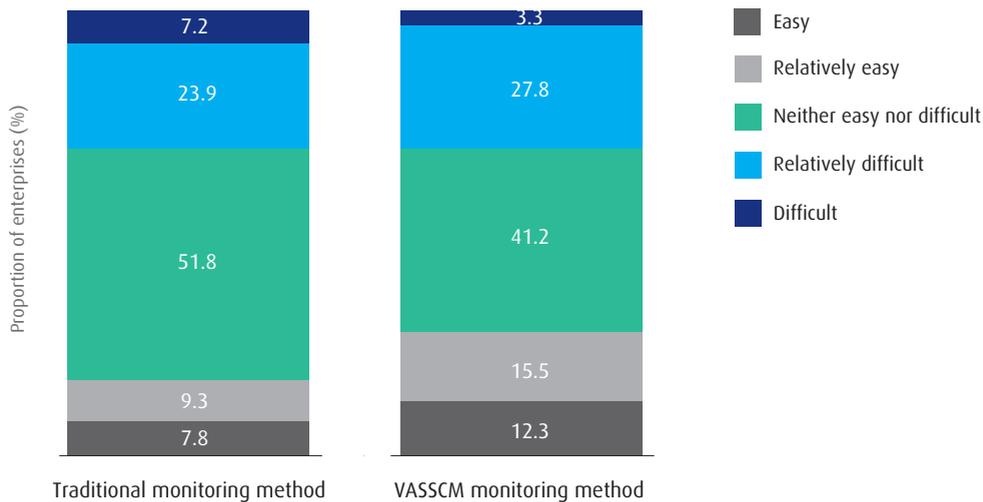
Proportion of Enterprises that Have Undergone Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via the Automated Customs Management System



As seen from the survey results, there was a significant difference in the perceptions of enterprises that implemented VASSCM and those that kept the traditional method, about the level of ease when undergoing procedures for confirmation of goods passing through the customs supervision zone. Specifically, enterprises that have implemented the automated system perceived a higher level of ease than those maintaining the traditional method: 27.8% of the former rated the VASSCM method as easy/relatively easy, while 17.1% of the latter rated the traditional monitoring method likewise.

FIGURE 4.2

Ease of Compliance with Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via the Automated Customs Management System

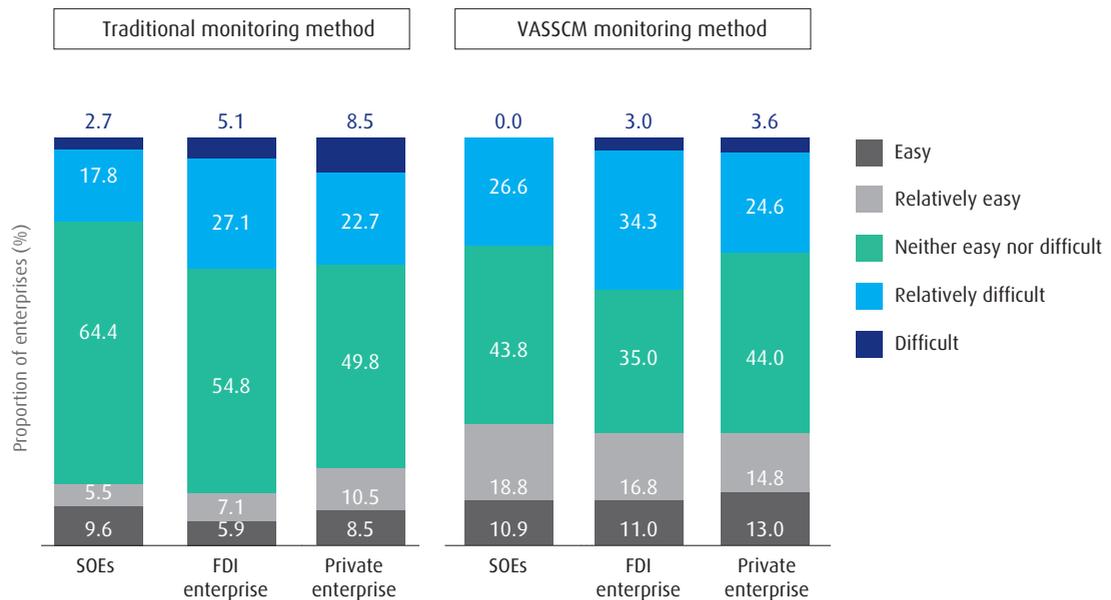


Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures. Question C1.1. Please rate the level of ease when complying with procedures for confirmation of goods passing through the customs supervision zone via the traditional method and via the Automated Customs Management System (VASSCM)

Similar to the general perceived level of ease of the 2 monitoring methods, when classified by economic sector, enterprises also rated a higher level of ease with VASSCM than traditional monitoring method. Particularly, FDI enterprises had the highest proportion of rating VASSCM as easy/relatively easy (14.8 percentage points higher than the traditional method), followed by SEs and finally private enterprises (8.8 percentage points higher than the traditional method).

FIGURE 4.3

Comparison between Two Methods of Goods Monitoring by Economic Sector

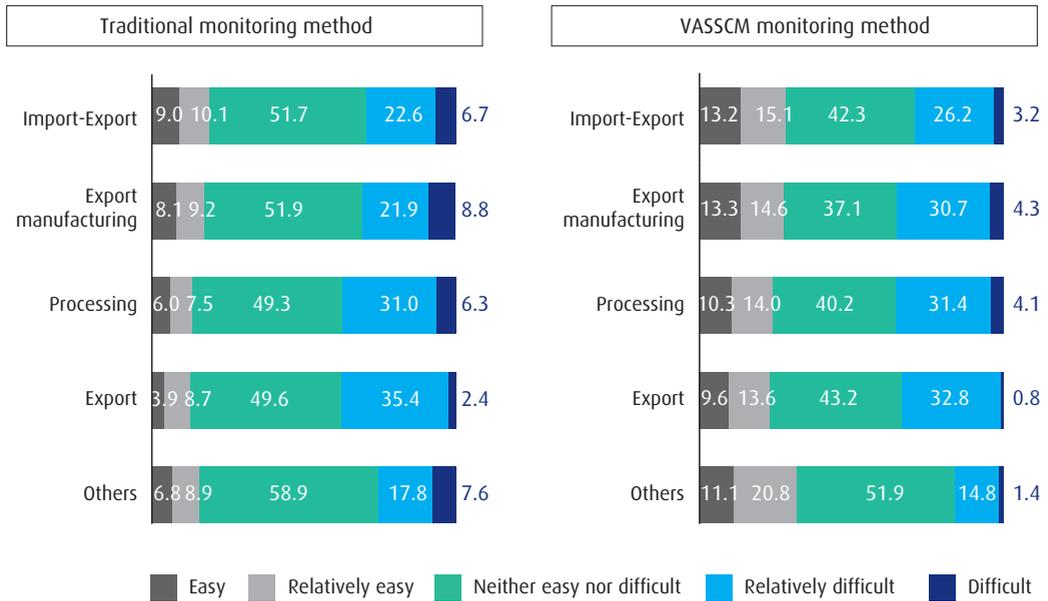


Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures. Question C1.1. Please rate the level of ease when complying with procedures for confirmation of goods passing through the customs supervision zone via the traditional method and via the Automated Customs Management System (VASSCM)

By field of activity, enterprises in other business areas perceived the highest level of ease when undergoing procedures for confirmation of goods passing through the automatic customs supervision zone (31.9%). Next came import-export and export manufacturing enterprises, at 28.3% and 27.9% respectively.

FIGURE 4.4

Comparison between Two Methods of Goods Monitoring by Field of Activity



Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures. Question C1.1. Please rate the level of ease when complying with procedures for confirmation of goods passing through the customs supervision zone via the traditional method and via the Automated Customs Management System (VASSCM)

The implementation of a new management - supervision system cannot remove all difficulties when enterprises performed procedures. Figure 4.5 depicts the specific difficulties that enterprises faced when undergoing procedures for confirmation of goods passing through the customs supervision zone via VASSCM. It can be seen that the biggest difficulty for enterprises was that IT system often encountered errors, with 25.5% of enterprises facing. Next came the lack of harmonious coordination between customs authorities and other agencies and undisclosed information or procedures, with 10.8% and 5.7% of enterprises facing, respectively.

FIGURE 4.5

Specific Difficulties when Undergoing Procedures for Confirmation of Goods Passing through the Customs Supervision Zone via the Automated Customs Management System

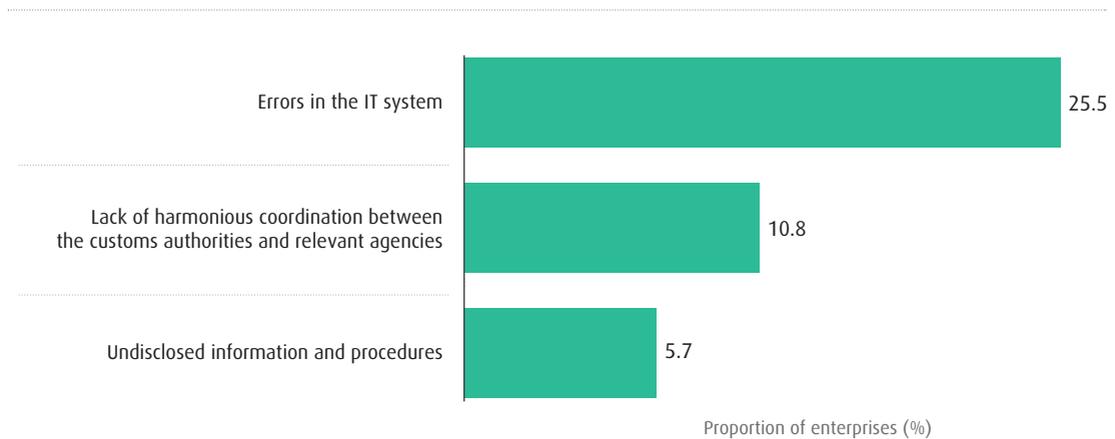
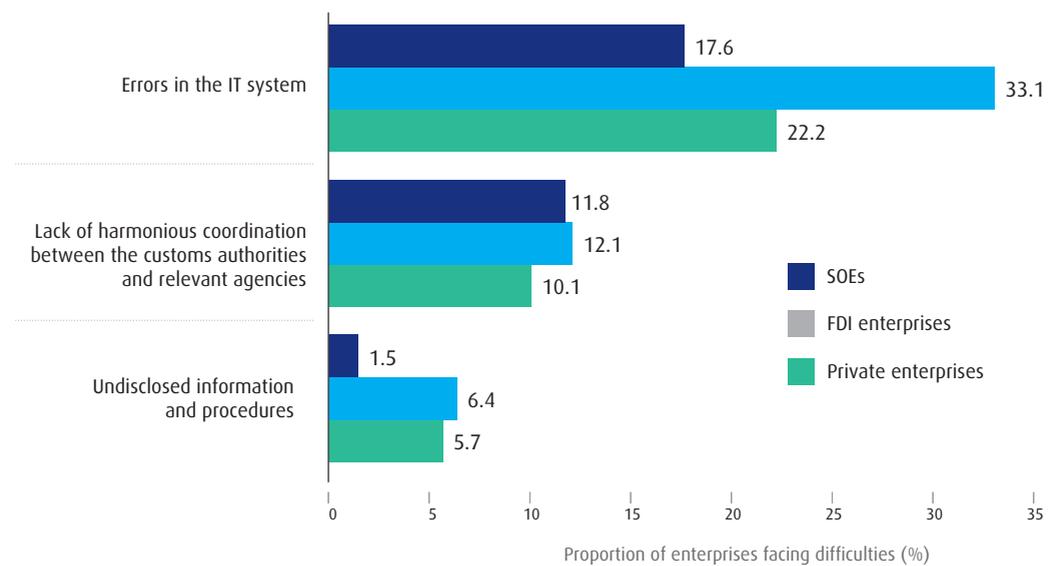


Figure 4.6 presents in more detail about the difficulties enterprises faced when undergoing procedures for confirmation of goods passing through the customs supervision zone via VASSCM, by economic sector. There was no difference in the order of difficulties, as IT system errors were again most encountered by enterprises, followed by the lack of harmonious coordination between customs agencies and other agencies, and finally the issue of undisclosed information and procedures. However, when classified by economic sector, FDI enterprises still faced the most difficulties, followed by private enterprises and finally state owned enterprises.

FIGURE 4.6

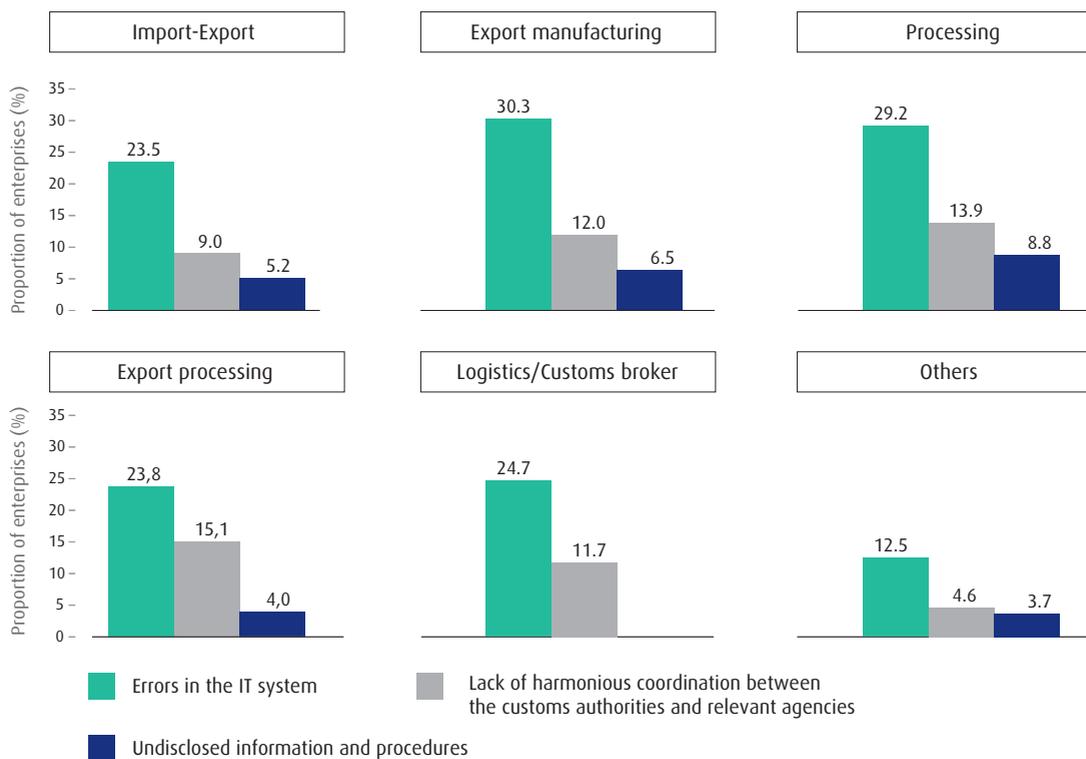
Specific Difficulties when Undergoing Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via VASSCM



A detailed analysis of the difficulties faced by enterprises when procedures for confirmation of goods via VASSCM can provide insights to improve these procedures in the coming time. Export manufacturing enterprises faced the most difficulty with the IT system (30.3%). Meanwhile, processing businesses faced the most difficulty in terms of coordination between customs authorities and relevant agencies, and the issue of undisclosed information and procedures.

FIGURE 4.7

Specific Difficulties when Undergoing Procedures for Confirmation of Goods Passing Through the Customs Supervision Zone via VASSCM, by Main Field of Activity



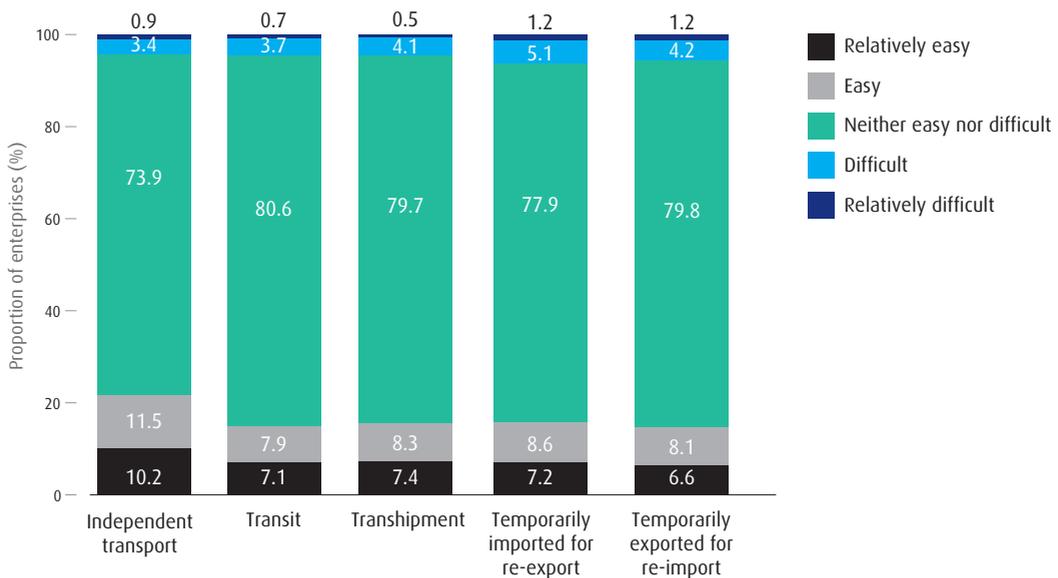
Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.

Question C1.2. During the implementation of Procedure of confirmation of goods qualified to enter the customs controlled areas via Vietnam Automated System For Seaport Customs Management (VASSCM), what difficulties do enterprises encounter?

The 2020 survey asked enterprises to give more detailed evaluation of the level of ease when complying with procedures related to “independent transport, transit, transshipment, temporary import - re-export, temporary export - re-import”. Results show that procedures related to independent transport received the highest level of perceived ease (21.7% easy/very easy), followed by temporary import - re-export (15.8%), transshipment (15.7%), transit (15%) and temporary export - re-import (14.7%).

FIGURE 4.8

Level of Ease when Complying with Monitoring Procedures Related to “Independent Transport, Transit, Transshipment, Temporary Import - Re-export, Temporary Export- Re-Import”

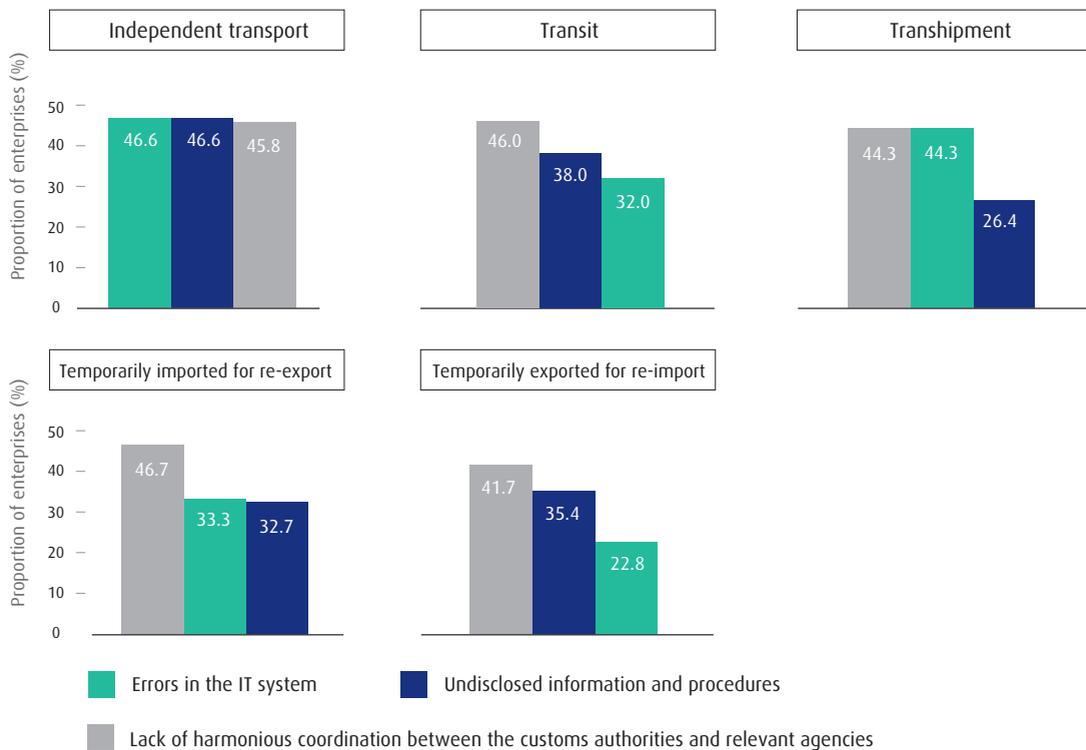


For the enterprises that found monitoring procedures related to "independent transport, transit, transshipment, temporary import - re-export, temporary export - re-import" difficult or very difficult, what were their specific difficulties? The evaluation from enterprises show that, at the independent transportation stage, almost all enterprises found difficulty with the following three factors: errors in the IT system (46.6%), undisclosed information and procedures (46.6%), lack of harmonious coordination between customs authorities and other agencies (45.8%).

At the 4 stages of transit, transshipment, temporary import - re-export and temporary export - re-import, the biggest difficulties were about the lack of harmonious coordination between customs authorities and other agencies, with over 40% of enterprises facing these difficulties. The rate was highest at the temporary import - re-export stage (46.7%).

FIGURE 4.9

Some Specific Difficulties Related to Independent Transport, Transit, Transshipment, Temporary Import - Re-Export, Temporary Export - Re-Import





An aerial, black and white photograph of a port or shipping yard. The foreground shows a road with a white truck and a trailer. The middle ground is filled with numerous stacks of shipping containers of various sizes. The background shows more stacks and a tall crane structure on the right side. The overall scene is industrial and busy.

05

SERVICE BY CUSTOMS OFFICERS

Customs officers' Discipline	109
Customs Officers' Professional Knowledge and Expertise	111
Work Skills	113

The 2020 survey sheds light on enterprises' assessment of discipline performance, professional knowledge and work skills of customs officers at the provincial/municipal Customs Department where enterprises usually deal with customs procedures. Enterprises' experience in working with customs officers for carrying out customs procedures will be useful inputs for the Customs sector to continue to improve customs officers' service quality. This series of questions about customs officers' services has been delivered since the 2018 Survey, based on which to provide information on improvements over time.

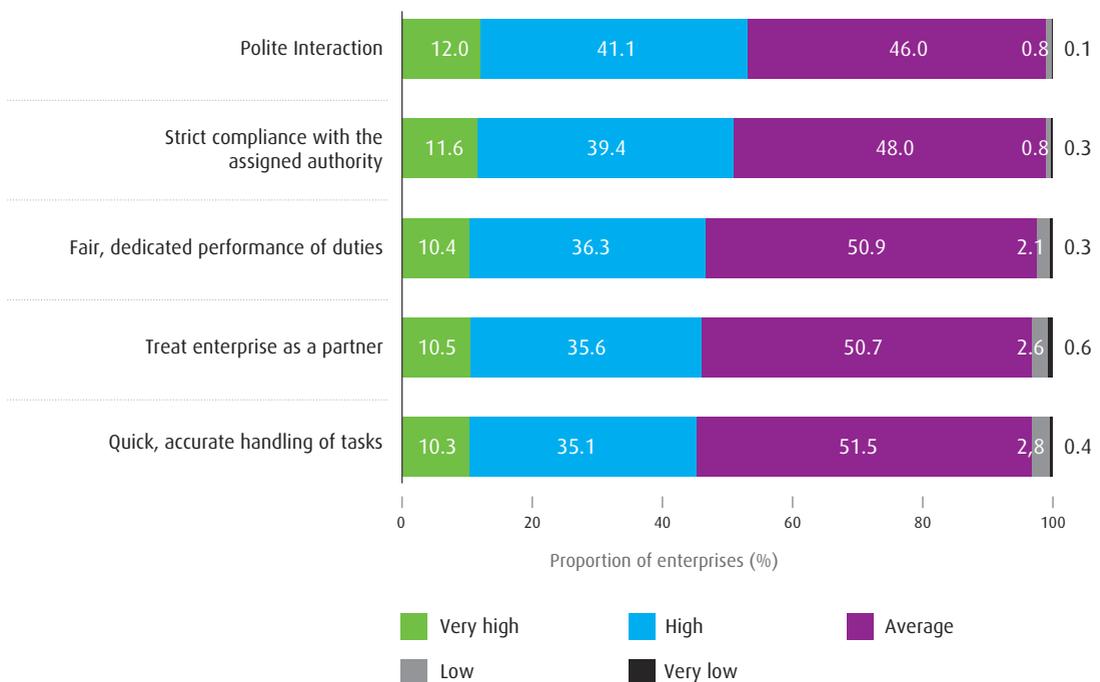
Customs officers' Discipline

Customs officers' discipline performance included in the 2020 Survey covers 5 aspects: (1) Polite interaction; (2) Fair, dedicated performance of duties; (3) Quick, accurate handling of tasks; (4) Treat enterprise as a partner; and (5) Strict compliance with the assigned authority. The ratings range from Very low/Low/Average/High/Very high.

Figure 5.1 shows how enterprises rate the discipline performance of customs officers, with the top-down rating from the level of High/Very high. In which, the highest rating rests in Polite interaction (53%), followed by Strict compliance with the assigned authority (51%), Fair, dedicated performance of duties (47%), Treat enterprise as a partner (46%), and Quick, accurate handling of tasks (45%).

FIGURE 5.1

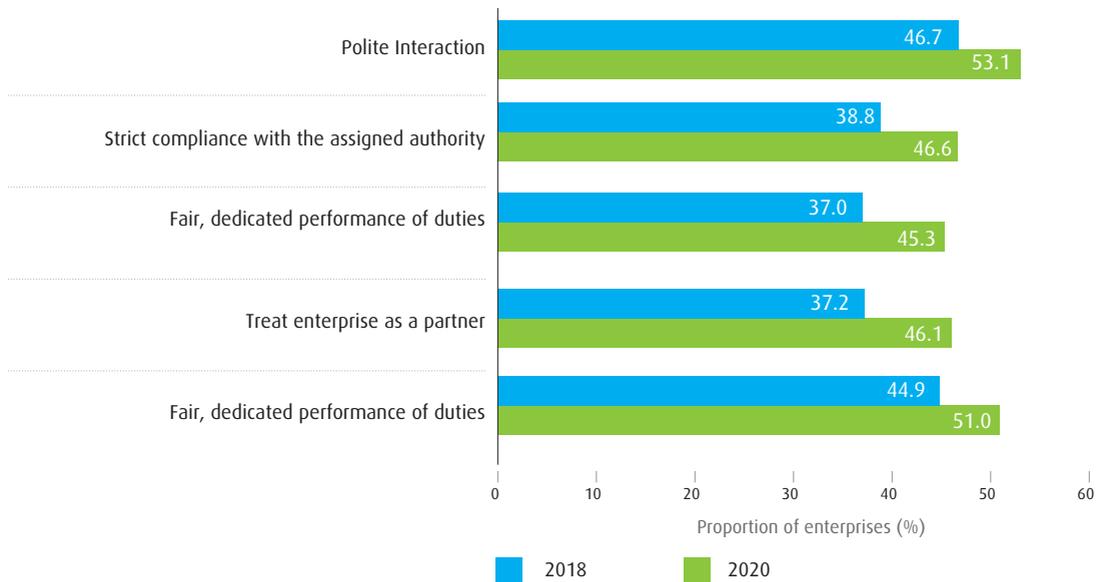
Ratings of Customs Officers' Discipline Performance



Progressive comparison of 5 aspects shows a remarkable change in the discipline performance of customs officers as rated by enterprises on all 5 aspects. In which, compared to 2018, the most positive changes were the percentage of enterprises agreeing that customs officers "treat enterprises as partner" (up 8.9 percentage points) and "quick, accurate handling of tasks" (up 8.4 percentage points).

FIGURE 5.2

Percentage of Enterprises assesses Customs Officers' Discipline Performance as "Good" or "Very Good"



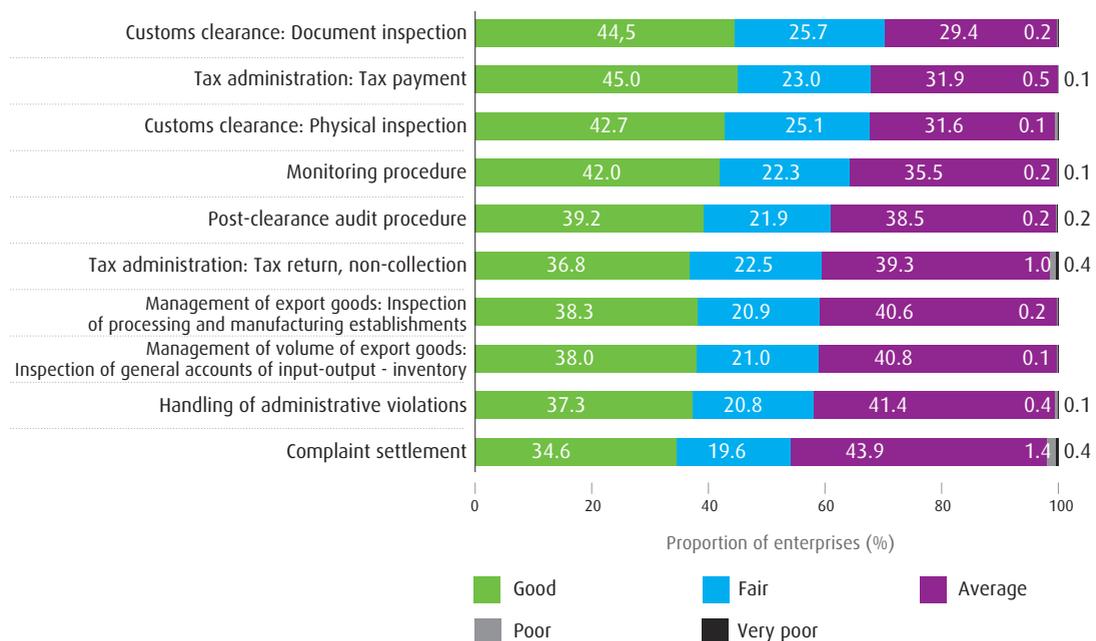
Customs Officers' Professional Knowledge and Expertise

The 2020 Survey requested enterprises to evaluate customs officers' professional knowledge and expertise in 7 procedural areas that enterprises often deal with. Those include: (1) Clearance procedure; (2) Tax administration procedure; (3) Administration procedure for goods processed, produced for export, processed for export; (4) Monitoring procedure; (5) Post-clearance inspection procedure; (6) Handling of administrative violations; and (7) Settlement of complaints. The ratings range from Very Poor/Poor/Average/Fair and Good.

The ratings of customs officers' professional knowledge and expertise in customs-related procedures are shown in Figure 5.3, with the top-down rating from the level of Good and Fair. Accordingly, the highest rating rests in document inspection (customs clearance), followed by tax payment (tax administration procedures) and physical inspection of goods (customs clearance). Some other areas which are inherently difficult to receive positive reviews from enterprises such as handling of administrative violations and settlement of complaints still received 58% and 54% for Good/Fair ratings, respectively, from enterprises.

FIGURE 5.3

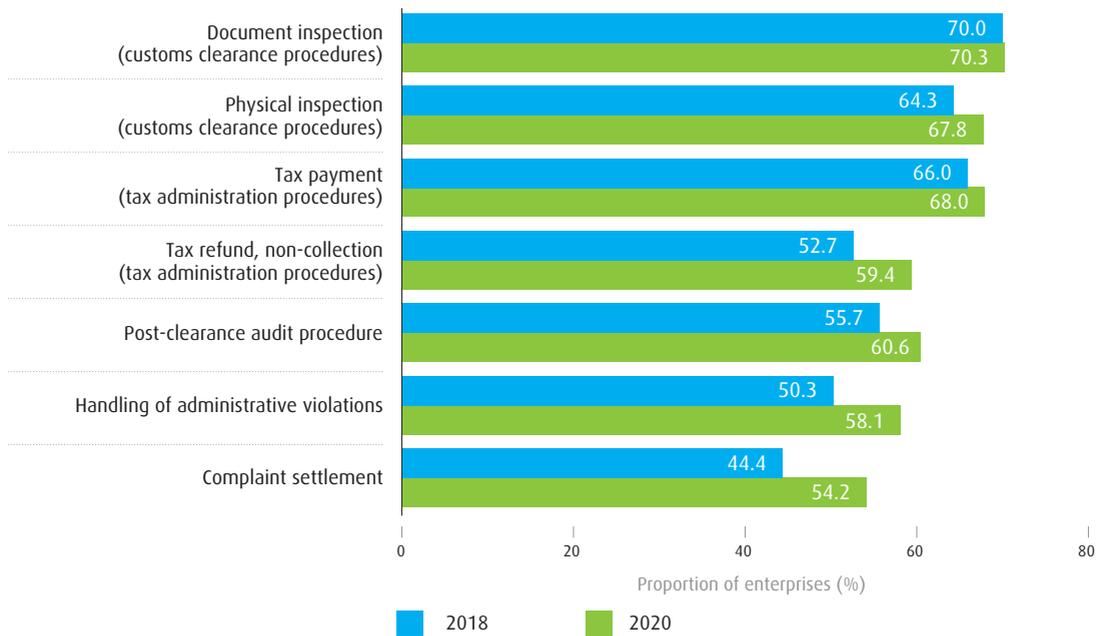
Ratings of Customs Officers' Professional Knowledge and Expertise



Enterprises' ratings of customs officers' professional knowledge and expertise also shows positive change over time. On all surveyed stages/areas of procedures, the percentage of enterprises gave Good/Fair ratings in 2020 observed an increase over 2018. In which, the most significant increase rests in settlement of complaints (up 9.8 percentage points) and handling of administrative violations (up 7.8 percentage points).

FIGURE 5.4

General Ratings of Customs Officers' Professional Knowledge and Expertise - Progressive Comparison



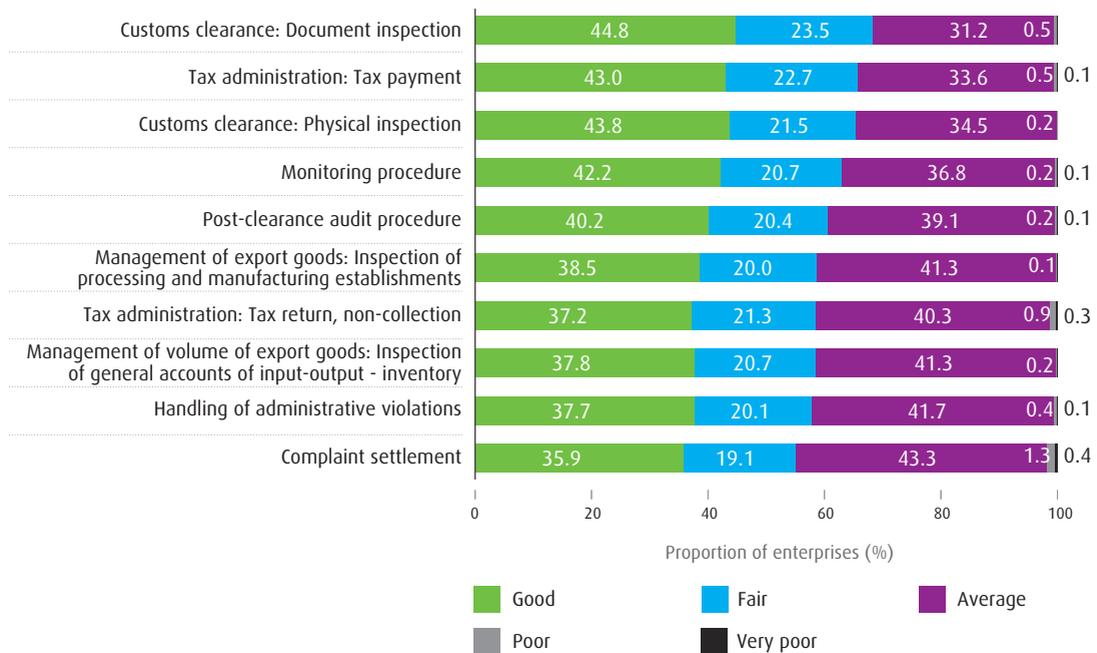
Source: VCCI-GDVC-USAID, The 2018 and 2020 Surveys on Import-Export Procedures.
 The proportion of enterprises rating the customs officer's professional knowledge and expertise as "very good" or "good"

Work Skills

The 2020 Survey also recommended enterprises assess the work skills of customs officers in 7 groups with the same ratings as the professional knowledge and expertise mentioned in section 5.2. The results showed that most of enterprises gave Good/Fair ratings in the work skills of customs officers. Accordingly, the highest rating rests in document inspection, physical inspection of goods (customs clearance) and tax payment (tax administration procedure). The details are shown in Figure 5.5, with the top-down rating from the level of Good/Fair.

FIGURE 5.5

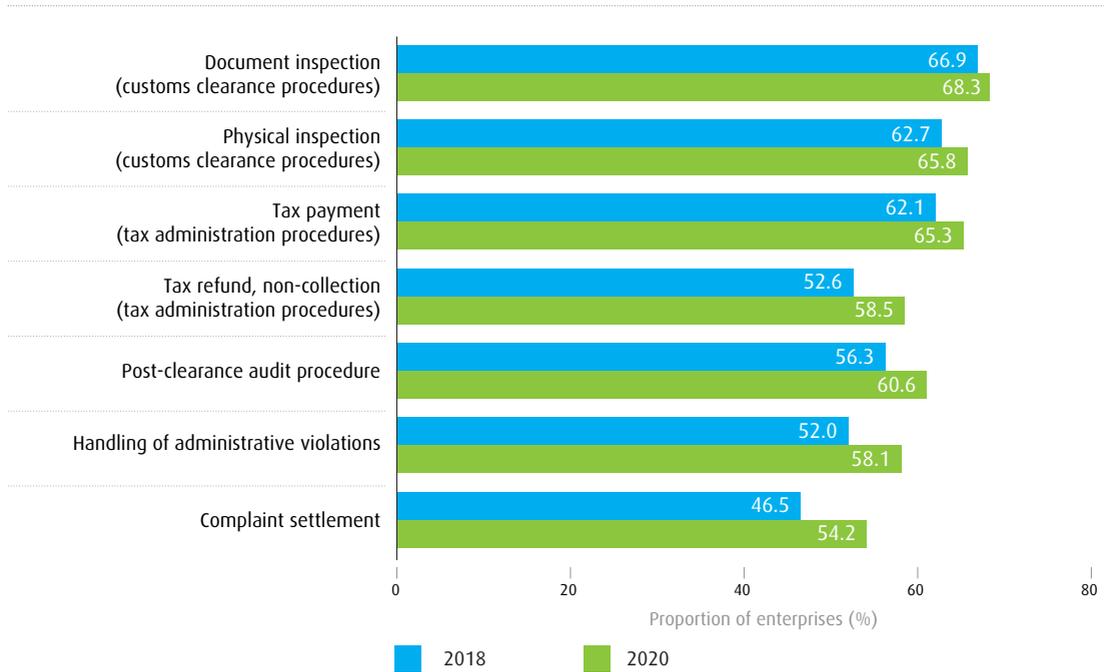
Ratings of Customs Officers' Work Skills



Similar to the discipline performance and professional knowledge and expertise mentioned above, the enterprises' ratings of customs officers' work skills in the 2020 Survey also shows positive change over 2018. Details are shown in Figure 5.6 below.

FIGURE 5.6

General Ratings of Customs Officers' Work skills - Progressive Comparison



Source: VCCI-GDVC-USAID, The 2018 and 2020 Surveys on Import-Export Procedures. The proportion of enterprises rating the customs officer's work skills as "very good" or "good"

BOX 5.1

Some Aspects related to Customs Officers needed to be Improved

In addition to the positive assessment of the majority of enterprises about the customs officers handling administrative procedures, enterprises also pointed out few aspects that need to be improved.

Enterprises supposed that the number of customs officers at present might be small or the work assignment was not appropriate, hence procedures were still processed slowly. Customs authorities needed to consider and assign personnel to the task in a timely manner so that enterprises did not have to wait for too long for dossiers to be processed.

In addition, the expertise of some customs officers needed to be improved. For example, for the same item, there were still differences in the understanding and the handling way of procedures by customs officers from different customs sub-departments. That is not to mention that there were also differences between customs officers and enterprises in understanding the same regulations, in those cases customs officers could not give convincing arguments.

Some enterprises were also not satisfied with the response rate of customs officers. There were cases in which enterprises sent letters of complaint or official letters to customs authorities then did not received any response to know whether the letters were received and how the problems were resolved. The proactive capacity of customs authorities in some regions was still low as customs officers rarely developed and effectively implemented programs which disseminated information on new laws and policies to enterprises.

Source: Summary of additional responses from some enterprises participating in the survey





06

OTHER ASSESSMENTS

Some Specialized Management and Inspection Procedures	118
Informal Charges in Import and Export Procedures	138

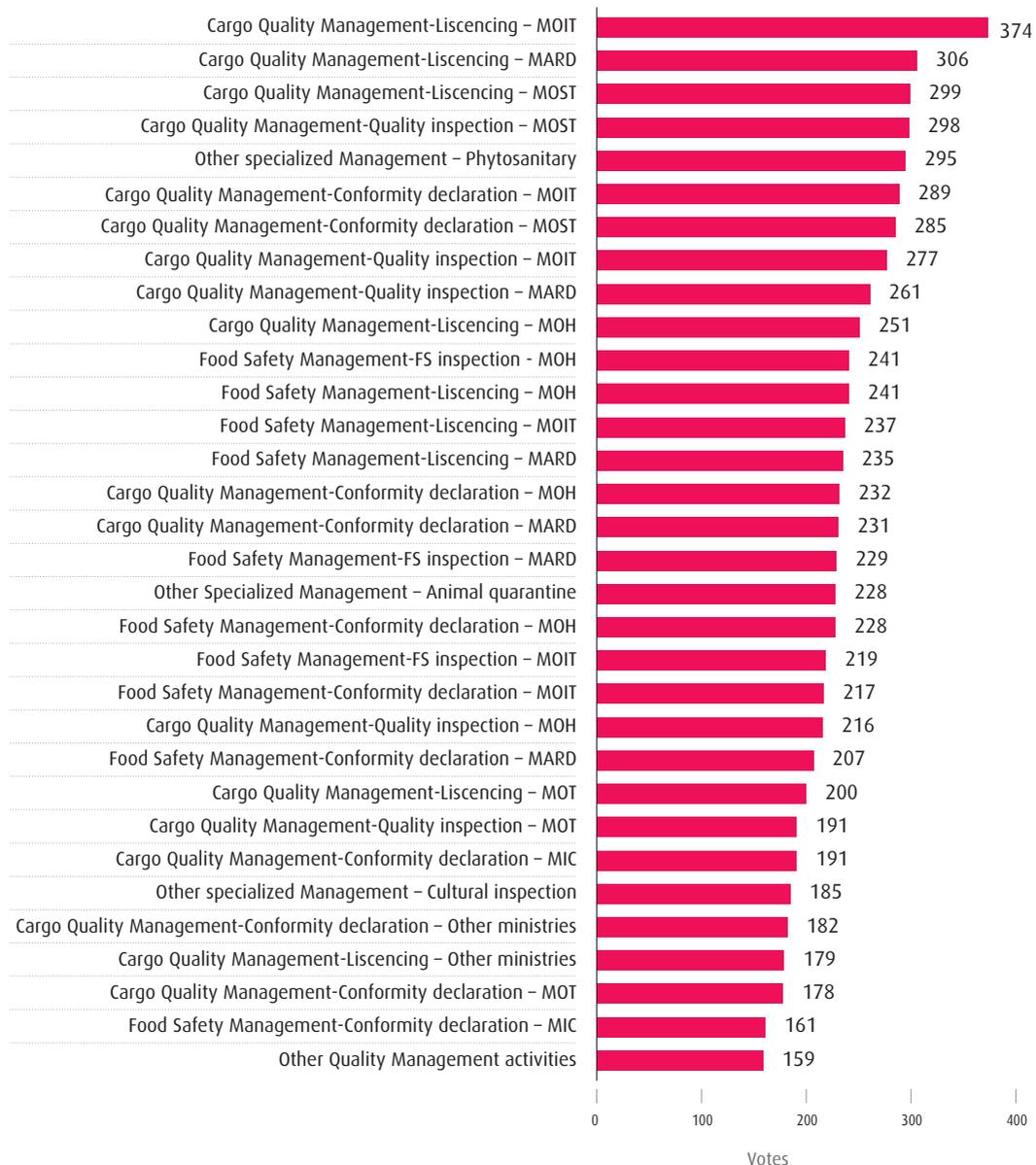
Some Specialized Management and Inspection Procedures

The 2020 Survey suggested enterprises select and assess in detail the specialized management and inspection procedures that have been performed during the year. Accordingly, the procedures are grouped into the following areas: (1) Cargo quality management, related to licensing and equivalent documentation procedure, conformity declaration procedure, quality inspection procedure; (2) Food safety management, related to licensing and equivalent documentation and conformity declaration procedures; (3) Other specialized management. Each of these procedures is specifically associated with a number of related ministries, sectors.

Among the enterprises reported carrying out specialized management and inspection procedures during the year, the majority of them carried out licensing and equivalent documentation procedure in cargo quality management by the Ministry of Industry and Trade (374 votes), Ministry of Agriculture and Rural Development (306 votes), Ministry of Science and Technology (299 votes), followed by quality inspection procedure (cargo quality management) by the Ministry of Science and Technology (298 votes) and phytosanitary (295 votes). The above five groups of specialized management and inspection procedures are also those mostly reported by enterprises in the 2020 Survey. Detailed results are shown in the following figure.

FIGURE 6.1

Which Specialized Management and Inspection Procedures Do Enterprises Usually Carry Out?



The specialized management and inspection procedures are grouped by areas as mentioned above, including: Cargo quality management, food safety management and other specialized management areas. This report will deep dive into analyzing enterprises' compliance with specialized management and inspection procedures in two main areas: cargo quality management and food safety management.

Enterprises were asked to rate the level of ease when complying with specialized management and inspection procedures based on 5 scales: Easy/Relatively easy/Neither easy nor difficult/Relatively difficult/Difficult. The survey results show that most of the enterprises reported “neither easy nor difficult” rating in complying with specialized management and inspection procedures of ministries and agencies (ranging from 65-70%). The percentage of enterprises selected “relatively easy” rating was quite low, ranging from 10 to 15%.

CARGO QUALITY MANAGEMENT

Cargo quality management includes 3 main procedures: (1) licensing and equivalent documentation procedure, (2) conformity declaration procedure and (3) quality inspection procedure.

Figure 6.2 shows how enterprises rate the level of ease with respect to licensing and equivalent documentation procedure in cargo quality management. Accordingly, the enterprises reported the highest level of ease when complying with this procedure with the Ministry of Industry and Trade (41.6%), followed by the Ministry of Science and Technology (28.4%). The lowest level is with the Ministry of Transport (17.1%).

FIGURE 6.2

The Level of Ease in Carrying out Licensing and Equivalent Documentation Procedure in Cargo Quality Management

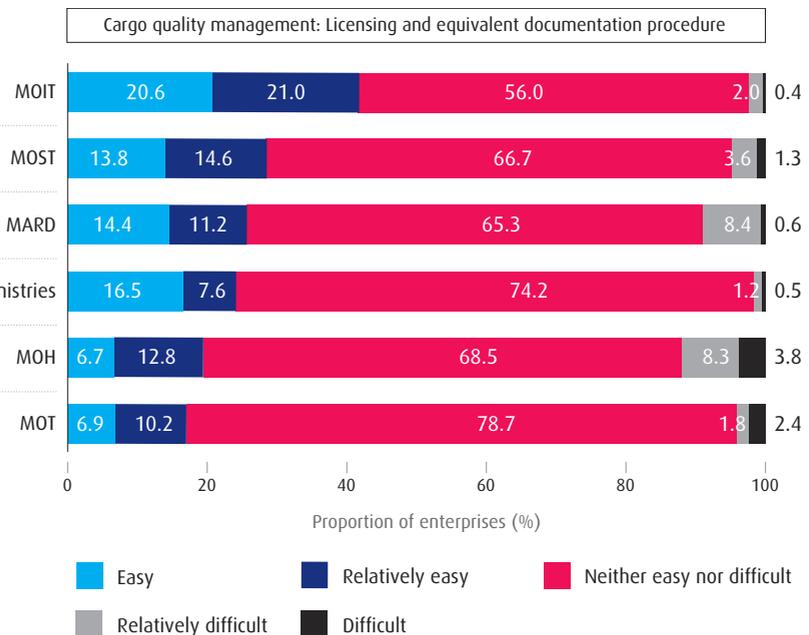
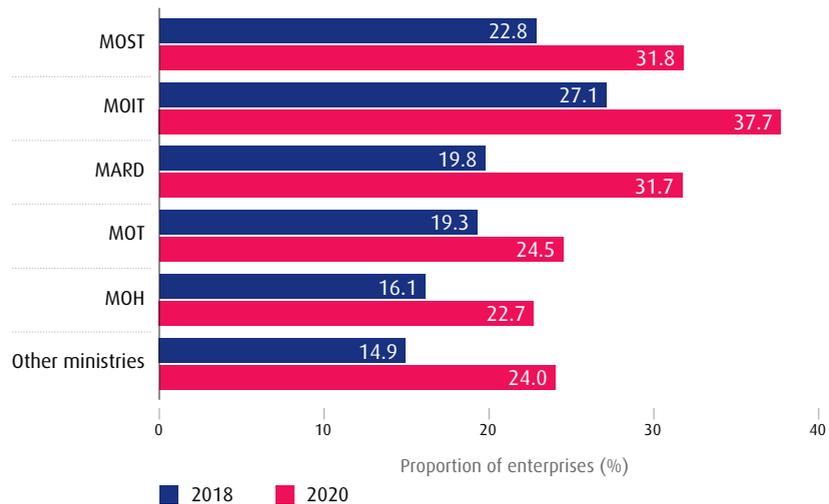


Figure 6.3 shows how enterprises rate the level of ease with respect to licensing and equivalent documentation procedure in cargo quality management in 2020 compared to 2018. This observed a progressive improvement in percentage of enterprises reported easy/relatively easy rating in carrying out procedures with related ministries and sectors. In particular, the most significant improvement was witnessed at the Ministry of Agriculture and Rural Development and the Ministry of Industry and Trade.

FIGURE 6.3

The Level of Ease in Carrying Out Licensing and Equivalent Documentation Procedure in Cargo Quality Management over Time

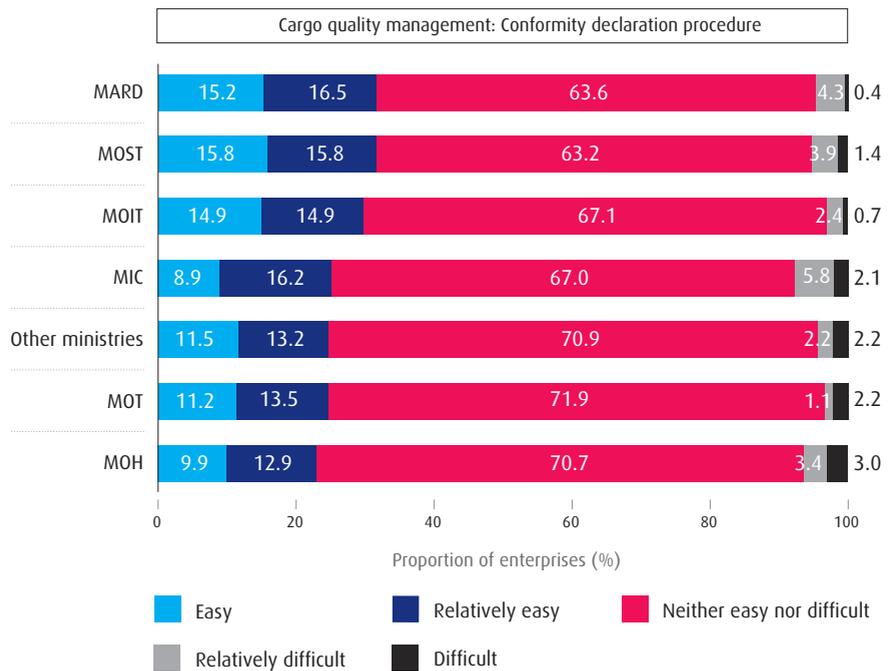


Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
The proportion of enterprises rating the level of ease in conducting licensing and equivalent document procedure in cargo quality management as "easy" or "relatively easy"

Regarding conformity declaration procedure in cargo quality management, there's no significant difference in the percentage of enterprises reporting easy/relatively easy ratings for different ministries and sectors. The highest percentage was found in the Ministry of Agriculture and Rural Development (31.7%) and the Ministry of Science and Technology (31.6%), and the lowest was in the Ministry of Health (22.8%).

FIGURE 6.4

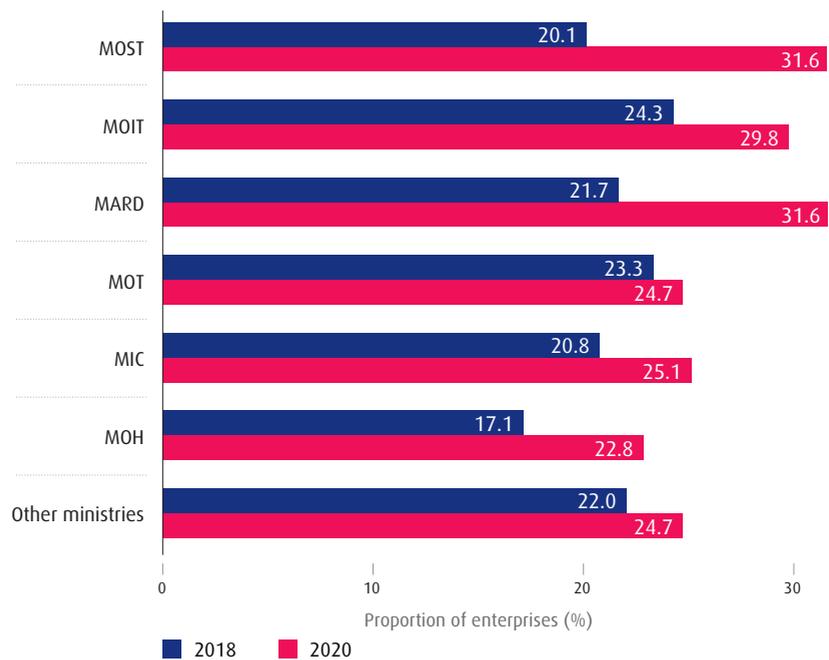
The Level of Ease in Carrying Out Conformity Declaration Procedure in Cargo Quality Management



The implementation of conformity declaration procedure in cargo quality management also observed a positive change over time (Figure 6.5). The Ministry of Science and Technology and the Ministry of Agriculture and Rural Development saw an increase in the percentage of enterprises reporting easy/relatively easy ratings in 2020 compared to 2018.

FIGURE 6.5

The Level of Ease in Carrying Out Conformity declaration Procedure in Cargo Quality Management over Time



Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
The proportion of enterprises rating the level of ease in conducting conformity declaration procedure in cargo quality management as "easy" or "relatively easy"

The highest level of ease was observed at the Ministry of Science and Technology (30.2%), followed by the Ministry of Agriculture and Rural Development (28.3%) when carrying out quality inspection procedures in cargo quality management. Meanwhile, the lowest level was reported at the Ministry of Health (19.9%).

FIGURE 6.6

The Level of Ease in Carrying Out Quality Inspection Procedure in Cargo quality Management

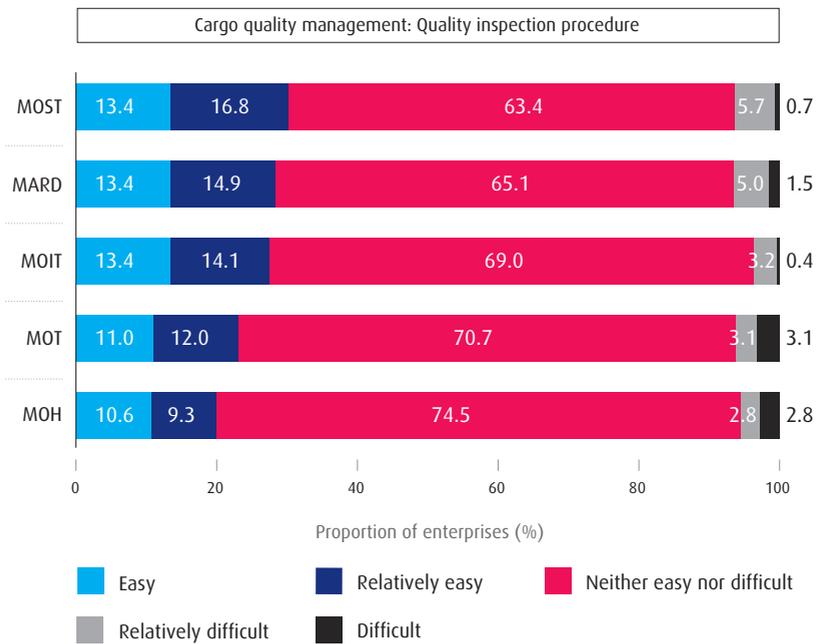
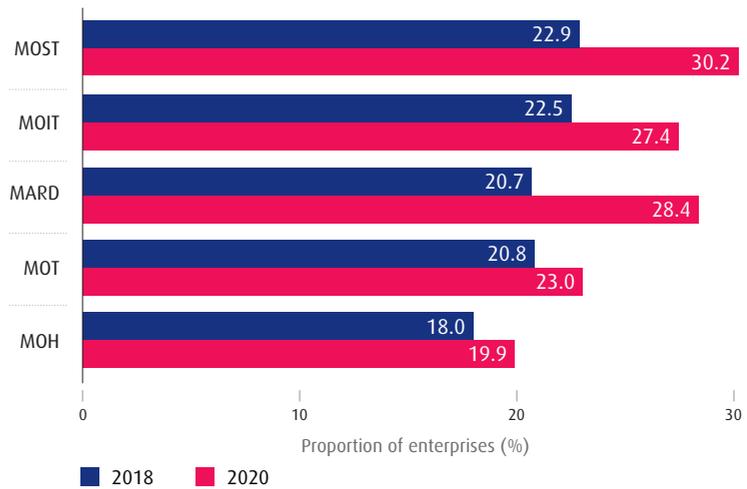


Figure 6.7 shows how enterprises rate the level of ease with respect to quality inspection procedure in cargo quality management over time. There is an increase in percentage of enterprises reported easy/relatively easy rating in carrying out procedures in 2020 compared to 2018. In particular, the Ministry of Science and Technology and the Ministry of Agriculture and Rural Development continued to observed the most significant improvement.

FIGURE 6.7

The Level of Ease in Carrying Out Quality Inspection Procedure in Cargo Quality Management



Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
The proportion of enterprises rating the level of ease in conducting quality inspection procedure in cargo quality management as "easy" or "relatively easy"

FOOD SAFETY MANAGEMENT

Food safety management includes 3 main procedures: (1) Licensing and equivalent documentation procedures; (2) Conformity declaration procedure and (3) Food safety inspection procedure. Similar to cargo quality management, food safety management generally received positive ratings on the level of ease in compliance with the procedures compared to the 2018 survey.

First of all, for licensing and equivalent documentation procedure, the highest level of ease was reported by enterprises carrying out the procedure at the Ministry of Agriculture and Rural Development (26%). 25.7% of enterprises carrying out this procedure at the Ministry of Industry and Trade gave easy/relatively easy ratings. For the Ministry of Health, 22.9% of enterprises said it is easy/relatively easy to carry out this procedure.

FIGURE 6.8

The Level of Ease in Carrying Out Licensing and Equivalent Documentation Procedure in Food Safety Management

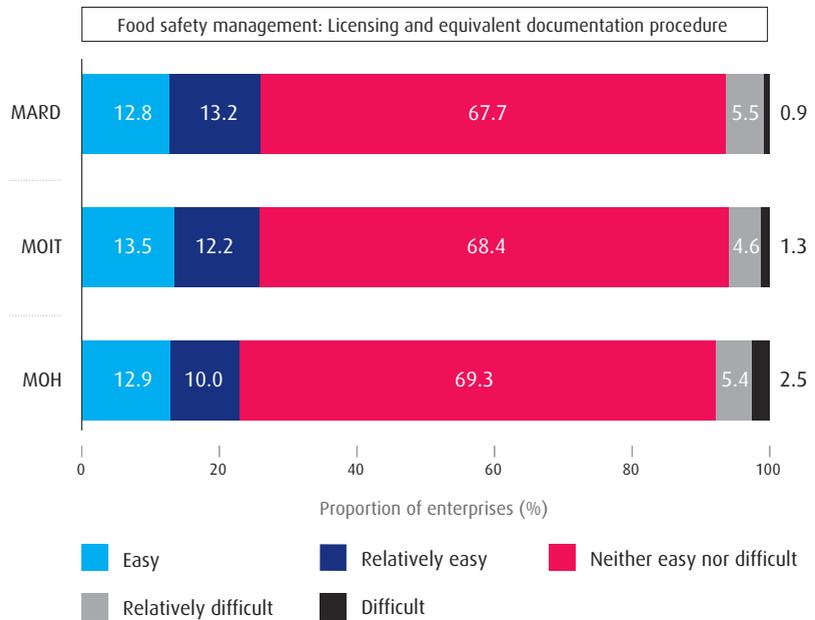
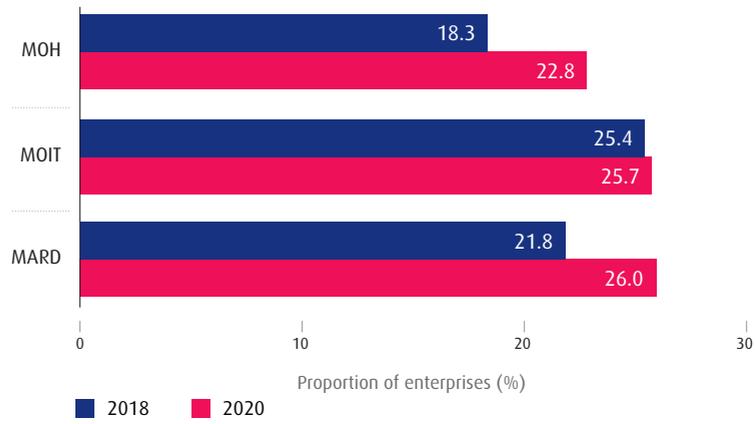


Figure 6.9 shows how enterprises rate the level of ease with respect to licensing and equivalent documentation procedure in food safety management over time. Compared to 2018, the Ministry of Health observed the most dramatic changes as rated by enterprises in 2020.

FIGURE 6.9

The Level of Ease in Carrying Out Licensing and Equivalent Documentation Procedure in Food Safety Management over Time



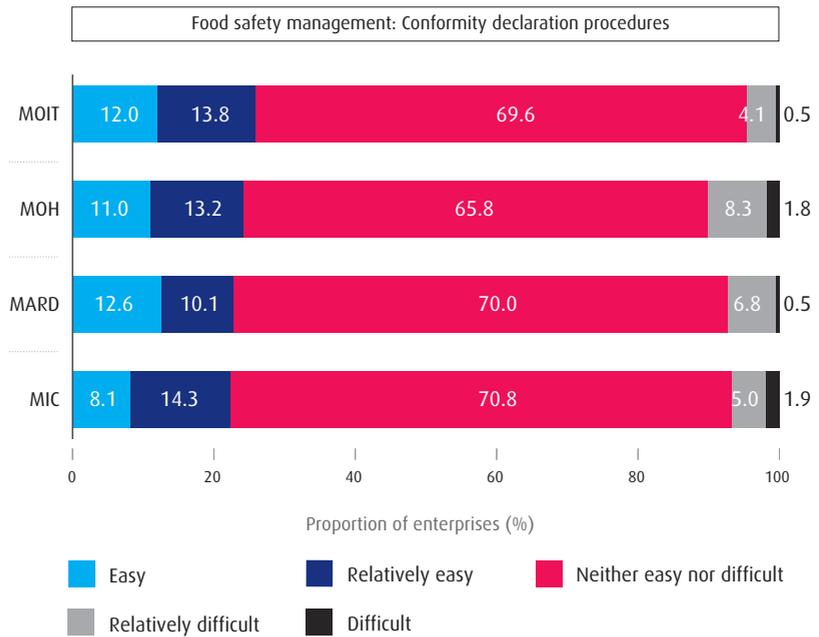
Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.

The proportion of enterprises rating the level of ease in conducting licensing and equivalent documentation procedure in food safety management as "easy" or "relatively easy"

For conformity declaration procedure in food safety management, the highest level of ease was reported by enterprises carrying out the procedure at the Ministry of Industry and Trade (25.8%). The Ministry of Health and the Ministry of Agriculture and Rural Development recorded the percentage of 24.2% and 22.7%, respectively for easy/relatively easy ratings. That percentage was 22.4% for the Ministry of Information and Communication.

FIGURE 6.10

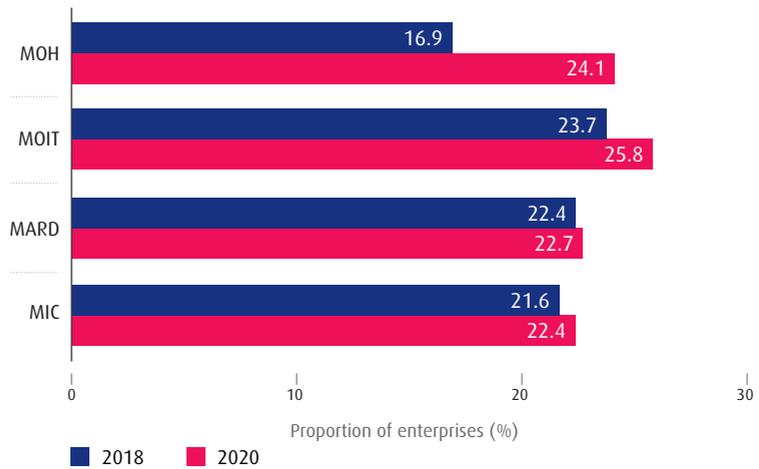
The Level of Ease in Carrying Out Conformity Declaration Procedure in Food Safety Management



The 2020 survey also shows that enterprises experienced higher level of ease in carrying out conformity declaration procedures in food safety management compared to 2018 (Figure 6.10). In which, the most obvious improvement can be seen in the enterprises carrying out this procedure at the Ministry of Health.

FIGURE 6.11

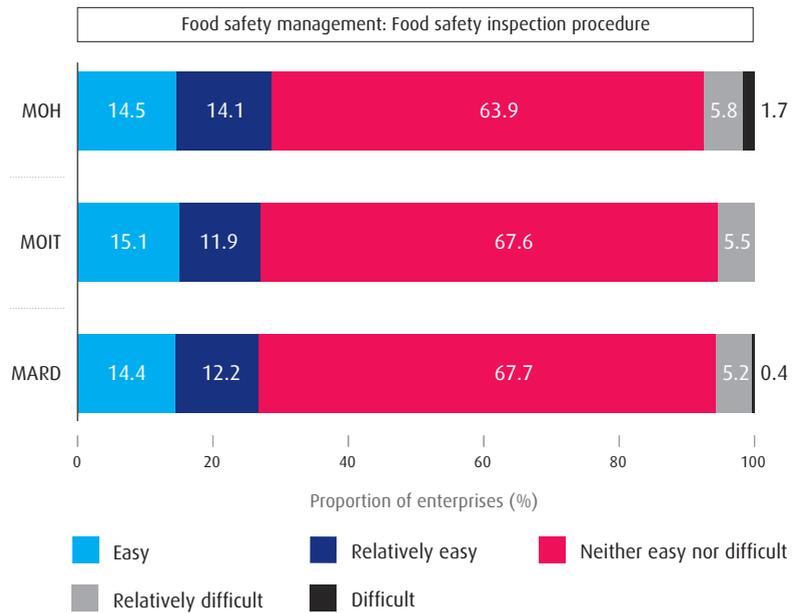
The Level of Ease in Carrying Out Conformity Declaration Procedure in Safety Management



Source: VCCI-GDVC-USAID, The 2018 and 2020 Surveys on Import-Export Procedures.
 The proportion of enterprises rating the level of ease in conducting conformity declaration procedure in cargo quality management as "easy" or "relatively easy"

Figure 6.12 shows how enterprises rate the level of ease in carrying out food safety inspection procedure in food safety management. The Ministry of Health was reported with the highest level of ease in complying with procedures, with 28.6% of enterprises stating the procedures were “easy” or “relatively easy”. For the Ministry of Industry and Trade and the Ministry of Agriculture and Rural Development, the percentage of enterprises giving easy/relatively easy rating was 27% and 26.6%, respectively.

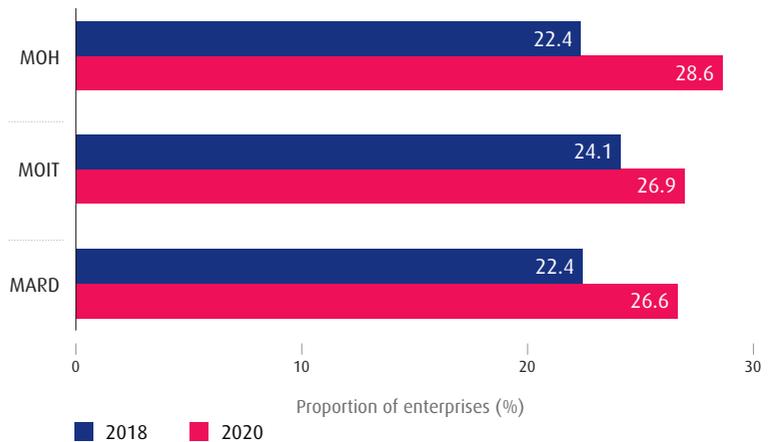
FIGURE 6.12
The Level of Ease in Complying Food Safety Inspection Procedure in Food Safety Management



The level of ease in carrying out food safety inspection procedure in food safety management has observed a change over time. The Ministry of Health was reported by enterprises to have the most significant improvement in 2020 compared with 2018. Details are shown in Figure 6.13 below.

FIGURE 6.13

The Level of Ease in Complying with Food Safety Inspection Procedure in Food Safety Management over Time



Source: VCCI-GDVC-USAID, The 2020 Survey on Import-Export Procedures.
The proportion of enterprises rating the level of ease in conducting food safety inspection procedure in cargo quality management as "easy" or "relatively easy"

BOX 6.1

Some Inadequacies still Existed in Specialized Management and Inspection Procedures

Through collecting specific opinions provided by enterprises, the survey's data showed a number of shortcomings in the specialized management and inspection procedures of related ministries and agencies.

Firstly, the specialized inspection procedures were still very complicated for enterprises. In fact, the procedures were different depending on ministries in charge and types of goods. Since the specialized inspection procedures were regulated in specialized laws and guiding decrees, the understanding and implementation of related ministries and agencies were not consistent. This caused enterprises having to carry out different procedures at different authorities.

Secondly, the list of goods subject to specialized inspection was too large. Enterprises proposed that ministries and agencies should consider reducing the number of product groups, the number of product lines, and the number of shipments to be inspected. The inspection should be carried out thoroughly based on risk management and random selection. For example, goods that pose a threat to human health and national security needed to be inspected.

Thirdly, the implementation of specialized inspections was troubling. Some enterprises complained that there were overlaps in specialized inspections. For example, there were goods subject to different food safety inspections managed by the Ministry of Industry and Trade and the Ministry of Health. Simultaneously, the Ministry of Health also needed to inspect them because they were in the list of medicinal herbs. The goods were also subject to animal/plant quarantine by the Ministry of Agriculture and Rural Development.

Although the majority of specialized inspection procedures are conducted at border checks, some firms are required to submit their work to ministries' offices. This feature creates significant difficulties for enterprises, since it increases their expenses and lead times.

Finally, businesses desire the socialization of specialized inspection operations. Thus, in order to expedite the processing of specialized inspection procedures, Customs offices and specialist management ministries may consider approving or appointing qualified entities and organizations to assist in the inspection process.

Source: Summary of additional responses from some enterprises participating in the survey

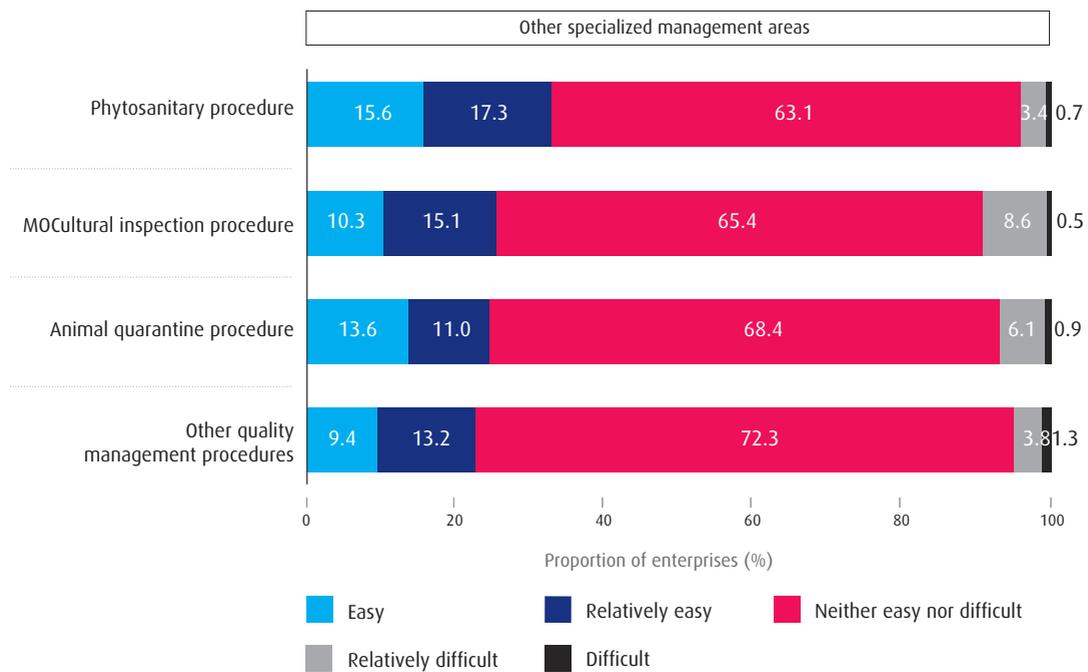
OTHER SPECIALIZED MANAGEMENT AREAS

Procedures in other specialized management areas in the 2020 survey include animal quarantine procedure, phytosanitary procedure, cultural inspection procedure and other quality management procedures.

The 2020 survey results show that, in other specialized management areas, phytosanitary procedure has the highest percentage of enterprises giving easy/relatively easy rating, at 32.9%. 25.4% and 24.6% of enterprises said it was easy/relatively easy to carry out cultural inspection procedure and animal quarantine procedure, respectively.

FIGURE 6.14

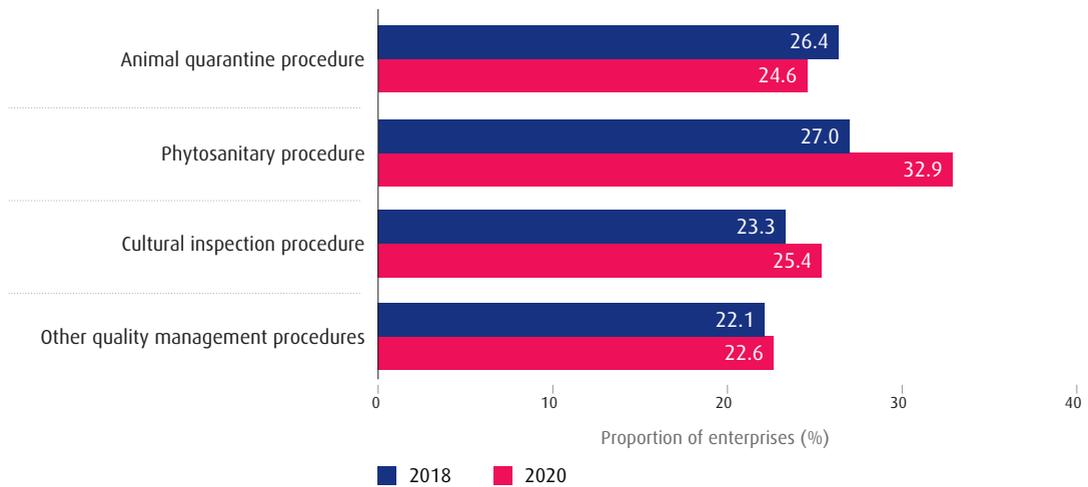
The Level of Ease in Complying with Other Specialized Management Areas



There is an increase in the percentage of enterprises giving high level of ease in carrying out procedures in most other specialized management areas. The percentage of enterprises rated easy/relatively easy in phytosanitary procedures increases remarkably in 2020 compared to 2018. The remaining procedures, except for animal quarantine, also have certain improvements.

FIGURE 6.15

The Level of Ease in Complying with Other Specialized Management Areas over Time



CERTAIN DIFFICULTIES THAT ENTERPRISES FACE WITH IN CARRYING OUT SPECIALIZED MANAGEMENT AND INSPECTION PROCEDURES

The 2020 survey also summarizes certain difficulties that enterprises often encounter in specialized inspection. Major difficulties often involve procedure order, processing time, information technology system, coordination among relevant agencies, customs officers' manner, etc.

As reported in the survey results, most enterprises encountered difficulties due to complicated procedures (55.3%), followed by back and forth exhausted traveling to complete the procedures (54.6%), prolonged turnaround time (49.2%), information unavailability (46.2%), online document submission system errors (38.9%), etc.

In terms of regulators, difficulties are mostly encountered at the Ministry of Transport. 6 out of 12 issues frequently faced by enterprises are those under the authority of the Ministry of Transport, including: complicated procedures (60.2%); highly demanding documentation (44.3%); required paperwork even after submission of e-forms (44.8%); unprofessional manner of civil servants in communicating with enterprises (39.1%); grease payment to shorten processing time (42.5%); back and forth exhausted traveling to complete the procedures (64.4%). Details are in the table below.

TABLE 6.1

Some Major Difficulties in Complying with Specialized Inspection - Comparing by Line Ministries and Sectors

Issues	Common	MOST	MOIT	MARD	MOT	MOH	MICs
Information unavailability	46.2	54.5	47.7	49.1	47.7	54.1	48.4
Complicated procedures	55.3	58.2	58.6	57.3	60.2	59.5	57.1
Highly demanding documentation	34.7	39.2	41.4	39.4	44.3	43.2	40.7
Customs officers do not adequately and enthusiastically provide instructions	30.6	37.3	35.5	34.3	38.8	37.4	42.9
Enterprises are required to provide information and documents outside the scope of regulations	22.0	29.1	27.4	28.7	32.6	33.0	33.0
Online document submission system errors	38.9	39.8	42.9	43.1	48.9	50.5	41.1
Required paperwork even after submission of e-forms	34.7	38.1	39.2	44.0	44.8	42.6	45.1

6. OTHER ASSESSMENTS

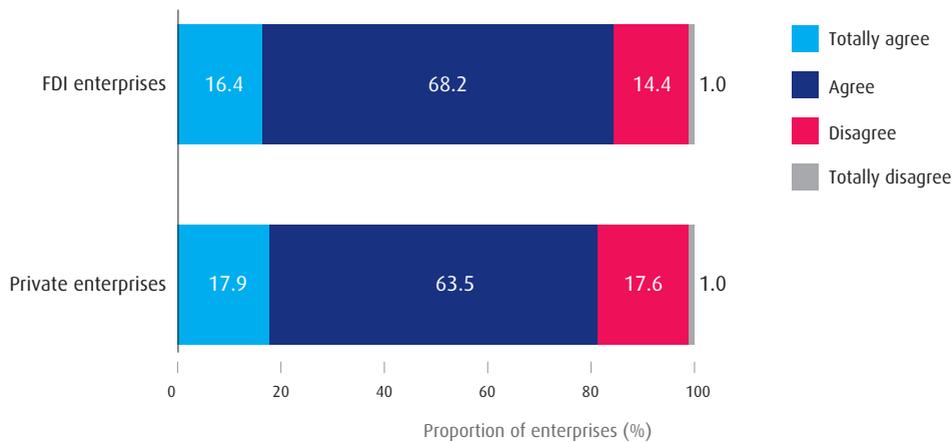
Some Specialized Management and Inspection Procedures

Issues	Common	MOST	MOIT	MARD	MOT	MOH	MICs
Prolonged turnaround time	49.2	51.3	52.4	55.0	55.7	57.8	57.1
Unprofessional manner of civil servants in communicating with enterprises	25.1	32.5	29.6	34.9	39.1	34.9	38.9
Unofficial payment to shorten processing time	31.9	35.9	35.2	38.5	42.5	41.5	42.2
Back and forth exhausted traveling to complete the procedures	54.6	57.1	53.2	59.8	64.4	60.6	59.3
Lack of harmonious coordination between specialized inspection agency and other agencies	37.5	39.8	39.2	40.0	40.7	47.2	45.6
Others	12.7	18.3	17.1	20.4	24.7	20.4	25.6

The overlap in inspection activities has been gradually resolved recently. It is commonly expected that this issue should be addressed more aggressively. In particular, 84.6% of FDI enterprises and 81.4% of private enterprises completely agree/agree that “The overlap in specialized inspection is causing time and cost-consuming for enterprises”.

FIGURE 6.16

The Overlap in Specialized Inspection is Causing Time and Cost-Consuming for Enterprises



The 2020 survey data shows that in response to the question “How many ministries under which your products have to go through specialized inspection procedures?”, 4.17% out of 3,069 respondents said that their products must undergo specialized inspection of 2 ministries and 0.98% of them reported 3 ministries or more. There are a wide range of products subject to specialized inspection, which can be divided into groups of products such as agricultural products, steel, wood, chemicals, fertilizers, and means of transportation, medical equipment, mechanical machinery, electrical appliances.

Informal Charges in Import and Export Procedures

THE POPULARITY OF UNOFFICIAL PAYMENTS

Similar to previous surveys, the 2020 survey also covered informal charges (or also known as informal costs) in carrying out import-export administrative procedures. The scope of assessment covers all activities that involve interaction between enterprises and agencies in charge of import - export administrative procedures, not just customs procedures. Therefore, informal charges may incur when enterprises carry out administrative procedures with customs officers, officers of specialized inspection/management agencies, conformity assessment agencies, port authorities or other units that handle import - export administrative procedures.

2,879 enterprises under the survey responded to the question of whether they paid any informal charges during the year when carrying out import and export administrative procedures. 56.1% of enterprises said that they did not pay informal charges. Meanwhile, 21.3% of enterprises were unsure or did not want to provide information and 22.6% *frankly admitted this behavior*.

FIGURE 6.17

Percentage of Enterprises Reporting Unofficial Payment in Carrying Out Import - Export Administrative Procedures (%)

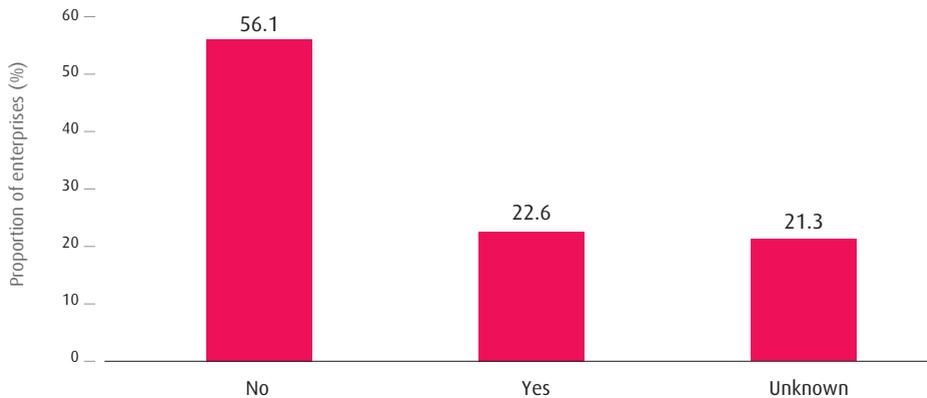
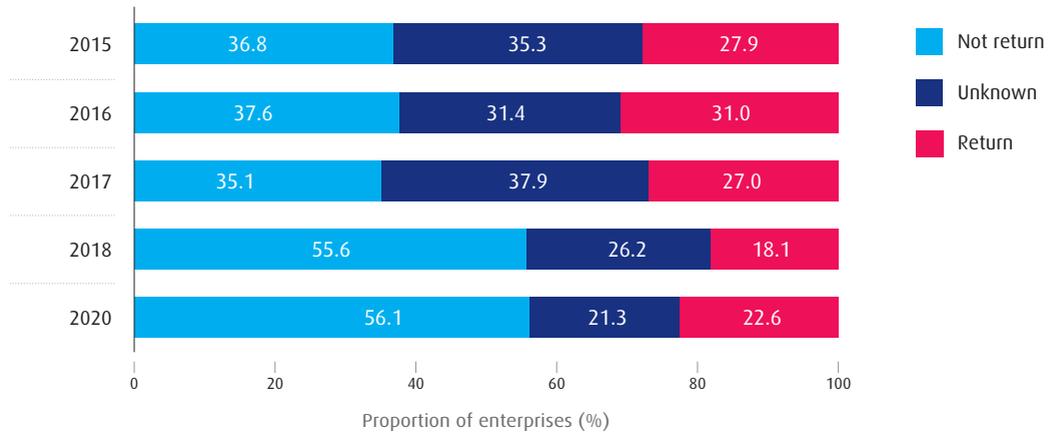


Figure 6.18 shows the percentage of respondents the issue of informal payments over time. The percentage of enterprises reporting non-payment of informal costs in 2020 is 56.1%, slightly increasing from 55.6% in 2018 and significantly increasing from 36.8% in 2015.

FIGURE 6.18

Percentage of Enterprises Reporting Informal Payment in Carrying Out Import - Export Administrative Procedures (%) - Progressive Comparison

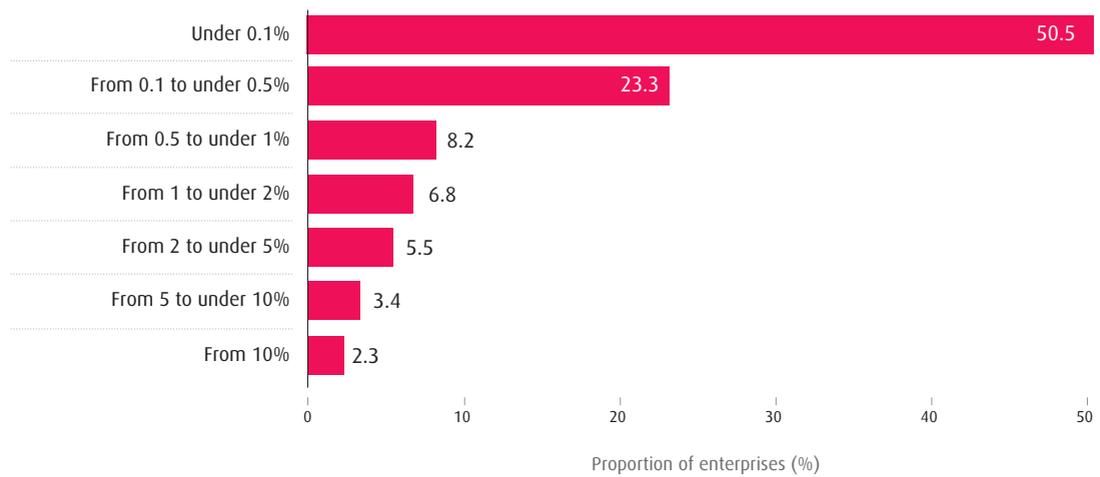


UNOFFICIAL PAYMENT AMOUNT

The 2020 survey asked enterprises to specify total amount of informal charges in proportion to the shipment value in case such kind of cost was paid in carrying out import and export procedures. The results showed that 73.8% of payments were less than 0.5% of the value of goods and services. However, about 2.3% of enterprises in the survey had to spend more than 10% of the shipment value to facilitate import and export administrative procedures.

FIGURE 6.19

Total Amount of Informal Charges in Proportion to the Shipment Value (%)

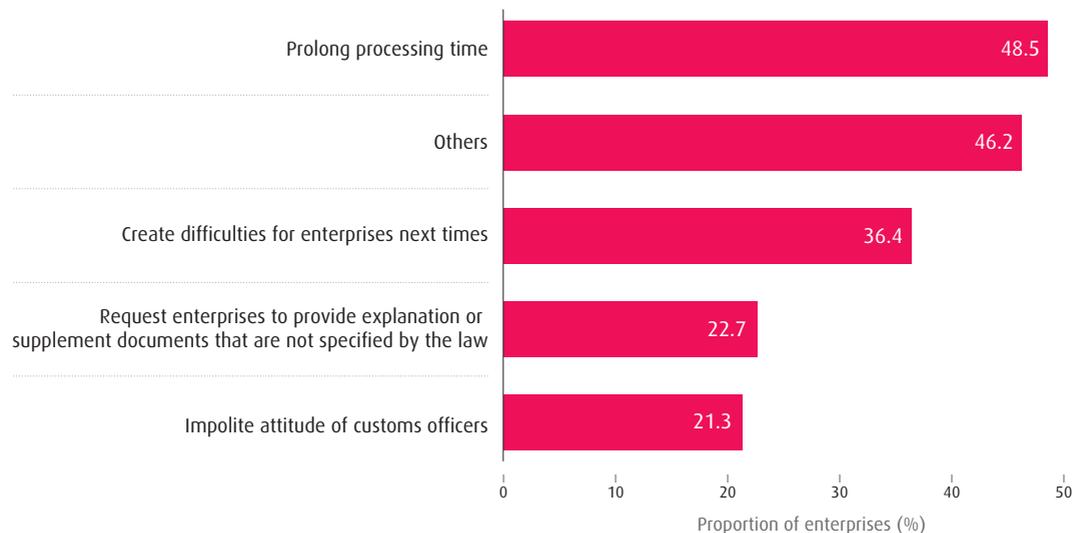


One of the reasons for this payment is the fear for discrimination. On average, 38.60% of enterprises reported discrimination if they did not pay informal charges to the public servants. Meanwhile, 56.31% think that there is no such situation and 5.09% of enterprises “do not know” or refuse to answer.

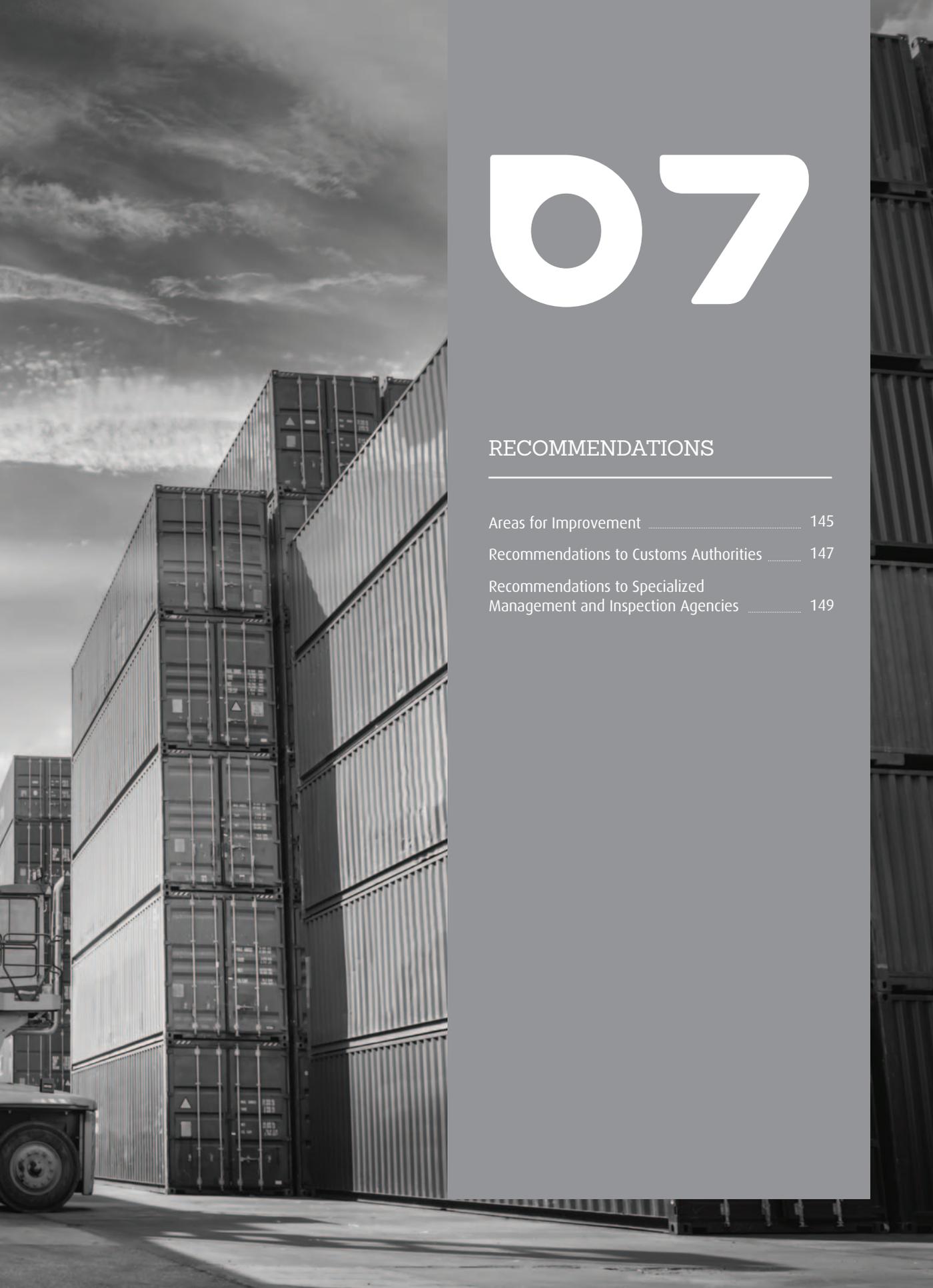
The prolonged processing time is the most common issue without informal payments. 48.5% of enterprises reported experiencing this situation. Accordingly, multiple requests for document modification would be given, causing back and forth traveling and increased preparation time. About 36.4% of enterprises experienced difficulty in carrying out other procedures thereafter if they still did not pay informal charges. Addition, enterprises were also required to further provide documents or explanation outside scope of regulations or the public servants showed unpleasant behaviors.

FIGURE 6.20

Some Forms of ‘Discrimination’ without Informal Charges







07

RECOMMENDATIONS

Areas for Improvement	145
Recommendations to Customs Authorities	147
Recommendations to Specialized Management and Inspection Agencies	149

The analysis from the beginning of the report shows a positive change in almost all aspects of the import - export administrative procedures. Compared to 2018, the changes in the past two years are very remarkable and demonstrate the efforts of the customs authorities, regulators and other relevant offices to facilitate import - export administrative procedures.

Besides such positive changes, the survey results show there is a large room for improvement. The reforms should continue to be implemented in a consistent and persistent manner to maintain the positive momentum in the future.

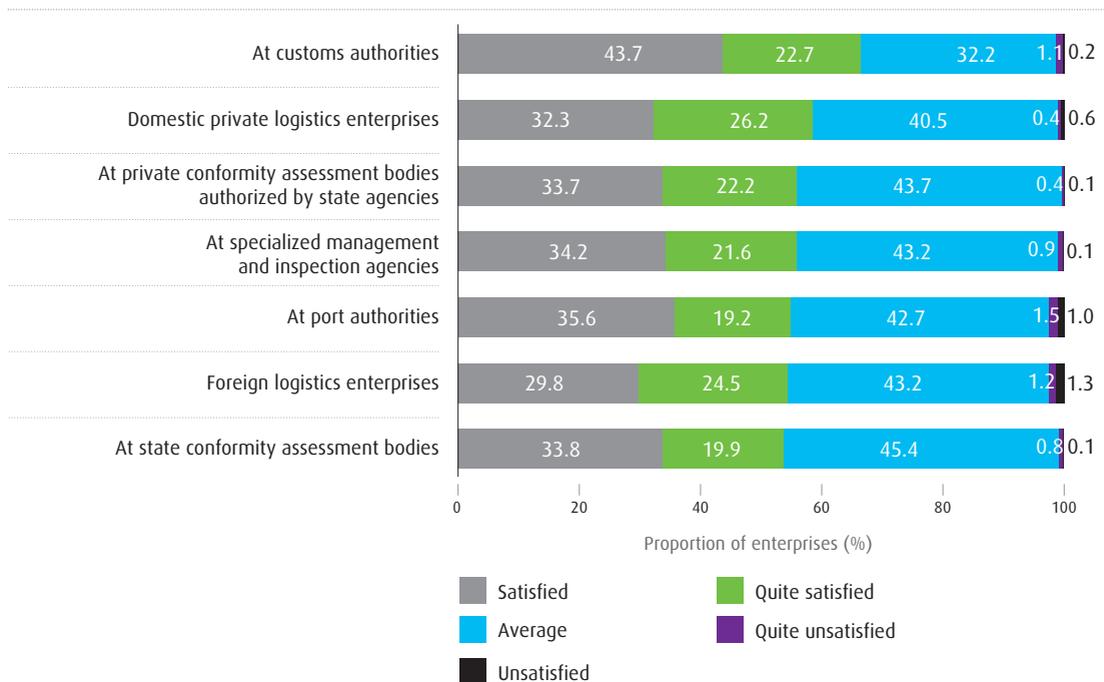
This part will provide recommendations from responding enterprises on areas that need improvement. Recommendations will also be provided specifically to customs authorities and specialized management/inspection agencies.

Areas for Improvement

Agencies in charge of import - export procedures still have considerable room to improve the overall rating on enterprise satisfaction. Figure 7.1 shows the level of satisfaction towards agencies in charge of import - export procedures. Customs authorities had the highest percentage of enterprise satisfaction (66.4%), significantly higher than the remaining agencies. Approximately 55.8% of enterprises were satisfied with specialized management and inspection agencies. In conformity assessment, the private conformity assessment companies received a more positive rating than the state authorities (55.9% versus 53.7%). These figures for the port authorities, foreign logistics enterprises and domestic private logistics enterprises were 54.8%, 54.3% and 58.5%, respectively.

FIGURE 7.1

Overall Satisfaction of Enterprises Towards a Number of Agencies in Charge of Import - Export Procedures



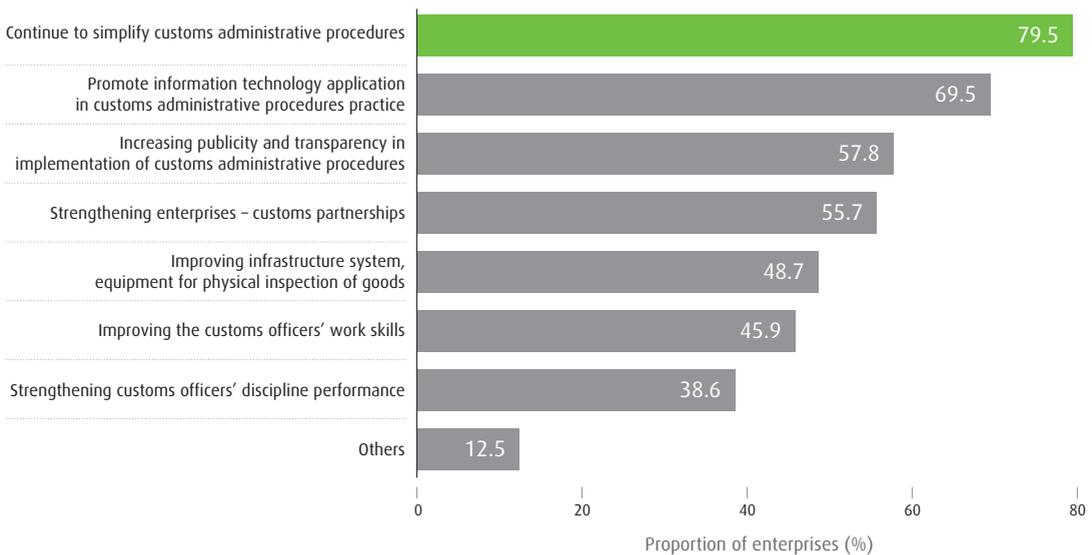
In the coming time, to continue the tasks of administrative procedure reform in import - export, customs authorities, regulatory ministries and relevant agencies need to continue promoting practical activities to facilitate enterprises' activities. Figure 7.2 shows some recommendations given by enterprises to import - export state authorities to focus on in the coming time. Continue to simplify customs administrative procedures is recommended by a large number of enterprises (accounting for 79.5% of respondents). This figure increases by 9.5 percentage points against the 2018 survey, indicating an increased interest among enterprises in simplifying administrative procedures.

Similarly, 69.5% of enterprises recommended promoting information technology application in customs administrative procedures, significantly increasing from 53% in 2018. Information technology has been strongly applied in recent years to better deal with import - export administrative procedures, especially the implementation of the National Single Window - ASEAN Single Window system. The benefits of reducing compliance costs for enterprises when applying information technology in handling import - export administrative procedures have been recognized. However, what caused troubles were technology platforms malfunction, inconsistent application of information technology and heavy paperwork regardless of the submission of e-forms. This is one of the main reasons for customs authorities and related agencies to continue to complete the application of information technology in handling administrative procedures.

Other key recommendation groups include "increasing publicity and transparency in implementation of customs administrative procedures," "strengthening enterprises - customs partnerships," "improving infrastructure system, equipment for physical inspection of goods," "improving the customs officers' work skills," and "strengthening customs officers' discipline performance."

FIGURE 7.2

Areas for Improvement



Recommendations to Customs Authorities

As shown in Figure 7.2, most enterprises wished for further simplification of *customs administrative procedures* to reduce compliance costs for them.

For example, some enterprises asked the customs authorities to simplify documents, allow combination of different declaration forms and certificates of origin into the same tax refund application, meanwhile avoid limiting the maximum amount of tax refunded per application. Enterprises also recommended to include customs fee information into each declaration, thereby enabling payment of both taxes and fees instead of current practice of paying separate fees of each declaration.

Enterprises also reported enormous obstacles with the procedures for HS codes determination and customs value consultation. For HS codes determination, customs authorities need to provide better support in the pre-declaration stage, make necessary adjustments to HS codes to facilitate enterprises in HS code determination and minimize disagreements between enterprises and customs authorities. For customs value consultation procedures, enterprises still encountered various issues at customs declaration and customs clearance stages. Enterprises expected the customs authorities to conduct one-time consultation, using the consultation results for multiple times. Accordingly, the consultation results of the previous export or import should be applied to the next export or import, enabling both time and cost-saving for both enterprises and customs authorities.

Enterprises also proposed to apply e-documents more robustly, avoiding in-person visit to customs sub-departments for customs clearance procedures. Many enterprises suggested that the customs authorities need to work more closely with specialized regulators and the State Treasury to review administrative procedures, shorten the process thereby reducing clearance time for enterprises. For example, synchronizing HS codes among relevant ministries and sectors in detail or providing a transparent import - export tariff schedule, detailed list and codes of products for which permits are required will save a lot of time for enterprises.

Many enterprises believed that solving customs administrative procedures will be less overloaded if the customs authorities have plans to increase headcount or arrange shift working on Saturday and Sunday. Some enterprises even asked the customs authorities to consider public services socialization, allowing the private sector to participate in some stages of customs administrative procedures such as customs value consultation to reduce overloading, increase efficiency in handling procedures to shorten turnaround time.

Enterprises expected more attention shall be paid to *provision of information and guidelines* for enterprises to increase effectiveness. One among the recommendations is to arrange a specialized team who are knowledgeable about customs administrative procedures and procedures of specialized regulators to advise enterprises on documents, procedures, agencies in charge and reporting order. Advisory contents should be clear, accompanied by specific examples directly related to the inquiries. For inquiries sent via e-mail, officers in charge should confirm receipt and indicate a deadline for reply. Information about the staff in charge of receiving and approving enterprises' documents should also be made public.

Enterprises also suggested that the customs authorities need to regularly update legal documents on import - export procedures onto Customs websites, or the National Single Window, on the e-customs declaration software or integrate the same to HS code so that customs declarants can update the regulations during the customs declaration process.

Many enterprises supported the policy of promoting information technology application in implementing administrative procedures, and proposing *to effectively leverage information technology to reduce the cost burden for enterprises*. Most enterprises expected a fully online process instead of having to visit the customs authorities or specialized regulators after online submission. Enterprises expected the customs authorities may consider eliminating paper document inspection for certain imported goods items if e-documents have been submitted. In addition, customs sub-departments should have a mechanism to connect and share the physical inspection history of goods to avoid duplicate inspection. Enterprises also asked the customs authorities to develop an automatic response system which is able to send email to enterprises to update document processing status.

Reducing informal costs and troublesome customs procedures need to continue to be focused. Enterprises requested the customs authorities to strengthen their supervision of officers' discipline performance and ensure transparency in handling of violating officers. Some enterprises suggested to establish a mechanism to allow them to claim, complain or denounce troublesome and harassing behaviors. The minimum possible mechanism is to publicize hotline/email address for enterprises to quickly provide feedback.

Enterprises also expected in the coming time, the General Department of Vietnam Customs and other customs authorities throughout the country will continue *implementing drastically, substantially and effectively reform strategies, programs and projects*. Some projects, if implemented, will bring various benefits to enterprises and facilitate import - export activities such as: Customs Development Strategy to 2030; Master project on building and developing an IT system for the implementation of the National Single Window and the ASEAN Single Window towards the centralized processing orientation; Pilot project on a customs bond mechanism for imported and exported goods; and Project on management mechanism, mode, order, and procedures for quality inspection and food safety inspection for imported goods.

Recommendations to Specialized Management and Inspection Agencies

Enterprises recommend that State agencies should promote reforms regarding the specialized inspection activities in near future. The project “Reforming the quality inspection and food safety inspection for imported goods” which was developed by the General Department of Customs and approved by the Government in Decision No. 38/QĐ-TTg dated January 12, 2021 is expected to be one of the first steps to comprehensively reform the specialized management and inspection of imported and exported goods.

In addition to specialized management and inspection to be carried out through one focal point, many enterprises expected *a further decrease in quantity of goods subject to specialized inspection* because the proportion of consignments subject to specialized inspection over total number of imported shipments is still quite large. If list of goods subject to specialized inspection can be narrowed down, enterprises will significantly reduce time and cost when complying with these procedures.

Enterprises also proposed that *risk managements principles need to be applied fully and properly* in specialized inspection activities. Relevant agencies need to properly and systematically apply measures and operational processes to identify, assess and classify the level of risks. If implemented effectively, enterprises with a good history of observance of import/export laws will be eligible to simpler method of inspection, thereby reducing customs clearance time and costs of import procedures.

The 2020 survey results also mention common obstacles in carrying out procedures with specialized management and inspection agencies, including complicated administrative procedures, and prolonged processing time, information unavailability and online document submission system errors. Therefore, ministries and specialized inspection agencies need to pay attention to the *reform of administrative procedures*. In particular, the focus should be paid on reviewing legal documents, simplifying processes, enhancing efficiency in handling dossiers and procedures, effectively providing information, answering enterprises’ inquiries and upgrading and optimizing information technology infrastructure.

The *information sharing* between specialized management and inspection agencies and the customs authorities also needs to be improved, especially in sharing data on administrative procedures and coordinating to answer questions and provide guidance on related procedures.



08

ANNEXES

Annex 1 Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers	152
Annex 2 Some Assessment Indicators on the Efficiency in Information Provision and Customs Law Dissemination	158
Annex 3 Some Assessment Indicators on Satisfaction Level of Enterprises with Customs Clearance Procedures	162
Annex 4 Some Assessment Indicators on Satisfaction Level of Enterprises with Tax payment Procedures	166
Annex 5 Some Assessment Indicators on Satisfaction Level of Enterprises with Post-Clearance Audit Procedures	168

Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers

Name of the Customs Department	Component Indicator 1: Professionalism and integrity of customs officers	MDTTKC: Polite interaction (% Very high/High)	MDTTKC: Fair, dedicated performance of duties (% Very high/High)	MDTTKC: Quick, accurate handling of tasks (% Very high/High)	MDTTKC: Treat enterprise as a partner (% Very high/High)	MDTTKC: Strict compliance with the assigned authority and function (% Very high / High)
Can Tho	8.28	74.4	67.4	69.8	69.8	74.4
Kien Giang	8.26	60.0	60.0	60.0	60.0	60.0
Ca Mau	7.63	63.2	57.9	36.8	52.6	63.2
Quang Ninh	7.50	68.6	63.2	62.9	63.8	69.2
Hue	7.40	66.7	55.6	40.7	48.1	63.0
Ha Giang	7.36	66.7	70.8	62.5	70.8	66.7
Lao Cai	7.29	75.9	63.8	62.1	65.5	70.7
Quang Nam	7.25	62.2	51.1	47.7	52.3	65.9
Quang Tri	7.25	61.3	51.6	56.3	58.1	51.6
Dong Thap	7.23	65.0	60.0	55.0	45.0	55.0
Gia Lai	7.20	48.3	55.2	46.4	44.8	51.7
Dak Lak	7.11	69.6	65.2	69.6	63.0	65.2
Thanh Hoa	6.99	60.0	58.0	48.0	58.0	62.0
Khanh Hoa	6.95	58.3	56.3	56.3	58.3	56.3
Binh Dinh	6.95	63.9	58.8	58.8	57.7	59.8
Dien Bien	6.92	69.6	65.2	56.5	63.6	72.7
Lang Son	6.74	55.0	50.8	47.5	46.7	53.3
Quang Ngai	6.74	50.0	42.9	46.4	42.9	42.9
Ba Ria - Vung Tau	6.72	52.0	42.7	45.3	44.0	46.7
Cao Bang	6.70	60.0	60.0	60.0	56.0	76.0
Nghie An	6.68	61.2	51.0	56.3	54.2	66.7
Ha Nam Ninh	6.68	63.4	61.3	52.7	52.7	60.2
An Giang	6.68	52.2	56.5	52.2	47.8	52.2
Long An	6.66	51.6	46.7	47.8	43.8	50.6

ANNEX 1

Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers

Name of the Customs Department	Component Indicator 1: Professionalism and integrity of customs officers	MDTTKC: Polite interaction (% Very high/High)	MDTTKC: Fair, dedicated performance of duties (% Very high/High)	MDTTKC: Quick, accurate handling of tasks (% Very high/High)	MDTTKC: Treat enterprise as a partner (% Very high/High)	MDTTKC: Strict compliance with the assigned authority and function (% Very high /High)
Bac Ninh	6.61	44.7	37.3	34.3	39.1	41.2
Hai Phong	6.61	51.3	44.1	45.0	44.0	48.4
Binh Phuoc	6.57	57.3	49.3	49.3	52.0	50.7
Dong Nai	6.50	49.8	47.1	47.5	46.0	50.6
Tay Ninh	6.49	50.5	46.7	47.8	46.7	54.4
Binh Duong	6.48	53.3	44.6	44.6	46.0	49.5
Hanoi	6.37	52.6	43.2	40.9	43.2	49.6
Quang Binh	6.08	55.6	48.1	44.4	44.4	59.3
Da Nang	5.98	44.5	38.3	35.9	34.4	41.4
Ha Tinh	5.96	57.8	44.4	44.4	46.7	53.3
Ho Chi Minh City	5.67	43.7	37.1	35.7	37.0	41.2

Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers

Name of the Customs Department	Component Indicator 1: Professionalism and integrity of customs officers	CMNV_TTTQ_Verification of customs documents (%) Good/Fair	CMNV_TTTQ_Physical inspection of goods (%) Good/Fair	CMNV_QLT_Tax payment procedure (%) Good/Fair	CMNV_QLT_Tax refund, cancellation procedure (%) Good/Fair	CMNV_QLH_HGC_Inspection of establishments (%) Good/Fair	CMNV_QLH_HGC_Final inventory report (%) Good/Fair	CMNV_GSHH_Monitoring procedure (%) Good/Fair	CMNV_Post-clearance audit procedure (%) Good/Fair	CMNV_Handling of administrative violations (%) Good/Fair	CMNV_Co-plaint settlement (%) Good/Fair
Can Tho	8.28	86.4	84.1	82.1	75.0	78.8	82.4	85.4	77.8	78.4	75.7
Kien Giang	8.26	80.0	80.0	100.0	80.0	100.0	100.0	80.0	80.0	100.0	100.0
Ca Mau	7.63	78.9	78.9	72.2	72.2	70.6	70.6	75.0	78.6	76.9	88.9
Quang Ninh	7.50	82.7	76.0	81.6	72.0	67.6	70.5	73.8	71.7	68.4	64.9
Hue	7.40	88.9	88.9	73.9	60.0	77.3	68.2	80.0	69.6	68.2	54.5
Ha Giang	7.36	75.0	75.0	75.0	75.0	60.0	57.1	78.3	73.9	68.4	73.7
Lao Cai	7.29	77.6	75.9	73.2	64.2	68.6	69.2	69.1	64.0	66.0	66.7
Quang Nam	7.25	79.5	76.7	79.5	65.0	71.8	68.4	71.4	70.7	65.0	55.0
Quang Tri	7.25	71.9	73.3	75.0	73.3	64.0	64.0	76.7	74.1	69.2	64.0
Dong Thap	7.23	75.0	73.7	64.7	64.7	64.3	64.3	71.4	61.5	54.5	55.6
Gia Lai	7.20	79.3	79.3	67.9	65.4	60.9	60.9	79.3	72.0	56.0	60.0
Dak Lak	7.11	69.6	69.6	70.5	65.1	64.1	61.5	68.9	61.4	57.5	55.3
Thanh Hoa	6.99	72.5	74.0	77.3	56.8	68.6	69.4	68.9	66.7	58.3	53.1
Khanh Hoa	6.95	77.1	72.9	73.9	72.7	72.1	70.5	62.8	59.5	61.5	61.5
Binh Dinh	6.95	82.5	76.0	69.1	59.6	60.5	61.0	72.2	64.4	56.6	52.3
Dien Bien	6.92	60.9	60.9	56.5	47.6	60.0	55.0	65.2	56.5	52.4	54.5
Lang Son	6.74	67.5	66.7	67.2	57.8	55.9	55.9	60.5	60.7	62.4	60.9
Quang Ngai	6.74	67.9	63.0	64.0	54.2	54.2	60.0	60.7	53.8	52.0	48.0
Ba Ria - Vung Tau	6.72	78.7	75.3	73.6	69.1	58.5	57.7	71.2	64.6	55.9	53.4
Cao Bang	6.70	80.0	80.0	80.0	70.8	65.2	65.2	72.0	62.5	60.9	50.0
Nghie An	6.68	78.0	78.0	70.5	54.8	69.2	65.8	69.0	66.7	54.1	50.0
Ha Nam Ninh	6.68	75.0	73.9	67.8	62.4	65.1	66.3	70.1	65.9	64.6	59.0
An Giang	6.68	78.3	78.3	76.2	66.7	68.8	76.5	73.9	65.0	60.0	61.1

ANNEX 1

Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers

Name of the Customs Department	Component Indicator 1: Professionalism and integrity of customs officers	CMNV_TTTQ_Verification of customs documents (%) Good/Fair)	CMNV_TTTQ_Physical inspection of goods (%) Good/Fair)	CMNV_QLT_Tax payment procedure (%) Good/Fair)	CMNV_QLT_Tax refund, cancellation procedure (%) Good/Fair)	CMNV_QLH Inspection of processing establishments (%) Good/Fair)	CMNV_QLH HGC_Final accounts and inventory report (%) Good/Fair)	CMNV_GSHH_Monitoring procedure (%) Good/Fair)	CMNV_Post-clearance audit procedure (%) Good/Fair)	CMNV_Handling of administrative violations (%) Good/Fair)	CMNV_Co-plaint settlement (%) Good/Fair)
Long An	6.66	73.9	71.1	74.7	61.3	64.1	61.5	65.5	60.5	58.1	56.8
Bac Ninh	6.61	78.2	77.4	77.0	70.5	71.7	71.7	73.2	70.8	69.4	64.4
Hai Phong	6.61	71.6	71.0	71.7	60.4	61.7	60.4	66.7	63.4	61.9	55.7
Binh Phuoc	6.57	71.6	69.9	69.4	60.6	60.0	54.3	61.4	59.4	58.2	52.2
Dong Nai	6.50	70.0	64.9	66.3	60.2	61.4	60.5	62.2	61.1	57.9	58.1
Tay Ninh	6.49	68.1	62.2	64.0	56.3	49.4	53.1	62.1	54.8	54.2	51.2
Binh Duong	6.48	70.2	68.6	67.6	58.5	63.4	62.3	63.0	60.2	58.1	54.1
Hanoi	6.37	66.4	64.1	66.2	58.5	54.7	54.9	62.9	59.5	58.9	54.1
Quang Binh	6.08	74.1	73.1	76.0	65.2	52.9	50.0	76.9	62.5	57.9	65.0
Da Nang	5.98	63.8	59.8	64.6	51.6	51.5	53.4	56.7	56.3	52.2	44.6
Ha Tinh	5.96	64.4	64.4	59.1	53.5	47.1	47.1	57.8	55.8	47.6	37.5
Ho Chi Minh City	5.67	58.4	54.4	55.9	47.4	44.3	45.1	51.9	50.6	45.2	41.1

Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers

Name of the Customs Department	Component Indicator: Professionalism and integrity of customs officers	KN_TTTQ_Verification of customs documents (%)	KN_TTTQ_Physical inspection of goods (%)	KN_QLT_Tax payment procedure (%)	KN_QLT_Tax refund, cancellation procedure (%)	KN_QLHH Inspection of processing establishments (%)	KN_QLHH GC Final accounts and inventory report (%)	KN_GSHH Monitoring procedures (%)	KN_Post-clearance audit procedure (%)	KN_Handling of administrative violations (%)	KN_Complaint settlement (%)	Enterprises have to pay unofficial costs (%)	Being discriminated if did not pay informal charges (%)
Can Tho	8.28	86.4	86.4	82.1	78.4	84.8	85.3	87.5	83.3	80.6	80.6	2.6	20.0
Kien Giang	8.26	80.0	80.0	80.0	75.0	100.0	50.0	75.0	100.0	50.0	50.0	0.0	0.0
Ca Mau	7.63	78.9	78.9	77.8	77.8	76.5	76.5	75.0	80.0	78.6	78.6	5.9	25.0
Quang Ninh	7.50	82.1	77.9	78.8	69.3	66.2	66.7	71.7	72.3	68.0	68.0	5.6	34.5
Hue	7.40	77.8	73.1	73.9	66.7	73.9	65.2	69.2	66.7	69.6	69.6	13.6	10.0
Ha Giang	7.36	83.3	75.0	66.7	66.7	55.0	52.4	75.0	70.8	66.7	66.7	10.0	40.0
Lao Cai	7.29	77.2	74.5	76.4	59.6	63.2	64.1	75.9	70.0	71.4	71.4	5.4	50.0
Quang Nam	7.25	72.7	72.7	72.7	61.9	65.0	64.1	64.3	68.3	65.0	65.0	10.5	16.7
Quang Tri	7.25	78.1	78.1	77.4	73.3	72.0	72.0	71.4	70.4	73.1	73.1	8.7	35.7
Dong Thap	7.23	68.4	68.4	66.7	64.7	64.3	64.3	71.4	61.5	63.6	63.6	0.0	16.7
Gia Lai	7.20	79.3	72.4	67.9	64.0	63.6	66.7	71.4	62.5	62.5	62.5	5.0	11.1
Daik Lak	7.11	67.4	66.7	65.9	62.8	65.0	60.0	60.0	58.1	57.9	57.9	5.1	33.3
Thanh Hoa	6.99	76.5	71.4	72.7	60.5	66.7	67.6	65.9	64.1	55.9	55.9	11.9	28.6
Khanh Hoa	6.95	75.0	72.9	68.1	68.9	70.5	68.9	68.2	68.2	65.0	65.0	7.7	47.1
Binh Dinh	6.95	78.1	74.7	68.1	67.4	68.4	67.5	75.5	69.0	61.3	61.3	14.3	41.9
Dien Bien	6.92	73.9	65.2	47.8	50.0	55.0	61.9	59.1	59.1	47.6	47.6	0.0	30.0
Lang Son	6.74	70.8	71.7	70.6	63.5	61.5	62.8	67.8	67.6	66.1	66.1	8.6	39.0
Quang Ngai	6.74	66.7	63.0	62.5	62.5	62.5	54.2	61.5	61.5	54.2	54.2	0.0	12.5
Ba Ria - Vung Tau	6.72	77.0	72.6	70.0	67.6	57.4	59.3	68.2	64.1	60.3	60.3	9.8	33.3
Cao Bang	6.70	72.0	72.0	68.0	69.6	65.2	65.2	76.0	66.7	58.3	58.3	14.3	70.0
Nghe An	6.68	75.0	72.9	67.4	57.9	68.4	67.6	70.7	70.3	61.1	61.1	24.3	47.8
Ha Nam Ninh	6.68	70.0	68.9	69.4	66.7	66.7	67.1	65.1	69.2	63.6	63.6	10.3	66.7
An Giang	6.68	78.3	73.9	71.4	71.4	64.7	76.5	65.2	71.4	60.0	60.0	10.5	62.5
Long An	6.66	71.9	68.2	73.8	62.8	62.3	61.8	68.8	61.3	58.9	58.9	10.4	37.8

ANNEX 1

Results of Some Assessment Indicators on the Professionalism and Integrity of Customs Officers

Name of the Customs Department	Component Indicator 1: Professionalism and integrity of customs officers	KN_TTQO Verification of customs documents (%) (Good/Fair)	KN_TTQO Physical inspection of goods (%) (Good/Fair)	KN_QLT_ Tax payment procedure (%) (Good/Fair)	KN_QLT_ Tax refund, tax cancellation procedure (%) (Good/Fair)	KN_QLHH GC inspection of processing establishments (%) (Good/Fair)	KN_QLHH GC Final accounts and inventory report (%) (Good / Fair)	KN_GSHH Monitoring procedures (%) (Good/Fair)	KN Post-clearance audit procedure (%) (Good/Fair)	KN_Handling of administrative violations (%) (Good/Fair)	KN Complaint settlement (%) (Good/Fair)	Enterprises have to pay informal charges (%)	Being discriminated if did not pay informal charges (%)
Bac Ninh	6.61	65.2	63.5	62.8	57.9	59.3	58.9	62.3	57.7	58.5	58.5	23.1	20.0
Hai Phong	6.61	71.5	68.7	70.2	60.1	63.0	60.7	65.4	61.7	59.7	59.7	9.7	38.9
Binh Phuoc	6.57	69.3	67.6	63.0	54.3	50.0	50.7	60.3	58.0	58.2	58.2	9.3	38.2
Dong Nai	6.50	68.3	65.4	64.8	62.7	62.2	62.1	63.6	59.8	58.5	58.5	6.0	48.4
Tay Ninh	6.49	69.2	65.6	64.4	52.9	57.1	57.7	60.5	58.0	58.0	58.0	4.7	39.5
Binh Duong	6.48	68.4	65.2	63.2	58.7	62.4	62.3	63.8	61.4	58.9	58.9	8.8	45.8
Hanoi	6.37	64.6	64.0	65.1	58.5	55.3	54.2	61.4	60.7	58.9	58.9	8.4	45.9
Quang Binh	6.08	74.1	69.2	60.0	60.9	37.5	41.2	58.3	54.5	33.3	33.3	16.7	63.6
Da Nang	5.98	56.3	54.8	56.5	48.7	51.0	50.5	49.6	51.3	46.5	46.5	12.4	32.6
Ha Tinh	5.96	67.4	65.1	61.9	57.5	51.6	53.1	64.3	59.5	55.0	55.0	19.4	61.1
Ho Chi Minh City	5.67	57.8	54.2	55.8	45.1	43.6	45.2	51.5	49.4	45.9	45.9	12.7	46.0

Some Assessment Indicators on the Efficiency in Information Provision and Customs Law Dissemination

Name of the Customs Department	Component Indicator 2: Efficiency in providing and disseminating information, providing guidance and consultancy on customs law	Information on the Customs Department's website (% Very satisfied/Satisfied)	In-person visit at CAs (% Very satisfied/Satisfied)	Call CAs to request information (% Very satisfied/Satisfied)	Send an official letter to CAs requesting information (% Very satisfied/Satisfied)	Attend meetings organized by CAs (% Very satisfied/Satisfied)	Participate in training courses organized by CAs (% Very satisfied/Satisfied)	Through leaflets, publications of local CAs (% Very satisfied/Satisfied)
Ca Mau	9.35	56.3	91.7	100.0	90.0	80.0	90.0	90.0
Ha Giang	9.34	94.4	90.0	81.3	86.7	93.8	81.3	71.4
Nghê An	9.06	83.3	81.8	80.4	73.2	78.0	75.0	73.0
Quang Nam	8.79	87.9	80.6	81.3	75.8	77.8	66.7	52.2
Dak Lak	8.77	77.3	74.4	80.5	74.4	83.3	81.6	65.7
Khanh Hoa	8.75	77.5	84.2	80.6	75.8	83.8	71.4	60.0
Lao Cai	8.72	87.0	77.8	81.8	82.6	80.5	86.4	73.8
Hue	8.70	79.2	87.5	87.5	70.8	80.0	83.3	36.4
Can Tho	8.70	80.6	76.5	73.7	81.8	72.2	75.0	61.3
Quang Ninh	8.66	83.9	85.7	78.6	78.9	78.8	78.5	72.0
Lang Son	8.54	79.5	81.9	80.3	74.6	80.3	76.1	67.7
Kien Giang	8.54	60.0	100.0	100.0	100.0	80.0	80.0	60.0
Ba Ria - Vung Tau	8.41	67.8	71.2	65.4	69.4	71.4	74.0	57.4
An Giang	8.37	77.3	70.0	55.6	57.9	72.2	55.6	52.9
Cao Bang	8.35	76.2	70.6	65.0	60.0	47.1	47.1	50.0
Binh Dinh	8.34	73.5	78.1	80.3	65.7	77.3	72.5	51.6
Gia Lai	8.30	72.0	60.9	68.2	61.9	75.0	70.0	61.1
Ha Nam Ninh	8.21	72.1	77.3	80.3	80.0	84.1	73.0	60.4
Dien Bien	8.07	83.3	90.9	83.3	88.9	72.7	88.9	77.8
Dong Nai	7.98	76.4	69.8	63.5	66.9	69.2	66.0	55.0
Binh Duong	7.98	73.1	65.4	66.7	64.3	71.4	70.4	51.4
Tay Ninh	7.97	70.1	62.5	66.7	64.8	69.0	63.6	45.1
Binh Phuoc	7.94	67.3	67.3	66.0	65.9	69.2	68.0	57.1

ANNEX 2

Some Assessment Indicators on the Efficiency in Information Provision and Customs Law Dissemination

Name of the Customs Department	Component Indicator 2: Efficiency in providing and disseminating information, providing guidance and consultancy on customs law	Information on the Customs Department's website (% Very satisfied/Satisfied)	In-person visit at CAs (% Very satisfied/Satisfied)	Call CAs to request information (% Very satisfied/Satisfied)	Send an official letter to CAs requesting information (% Very satisfied/Satisfied)	Attend meetings organized by CAs (% Very satisfied/Satisfied)	Participate in training courses organized by CAs (% Very satisfied/Satisfied)	Through leaflets, publications of local CAs (% Very satisfied/Satisfied)
Dong Thap	7.90	80.0	53.8	61.5	61.5	66.7	63.6	55.6
Long An	7.89	67.1	62.9	59.2	62.7	61.1	59.1	52.5
Hai Phong	7.82	68.2	64.5	59.0	62.8	64.1	63.5	55.7
Bac Ninh	7.81	76.5	63.5	58.8	63.2	68.7	70.8	58.1
Hanoi	7.74	72.0	69.0	65.0	63.5	68.6	69.9	58.1
Quang Binh	7.70	73.1	62.5	58.3	59.1	68.2	59.1	50.0
Da Nang	7.69	69.2	66.2	57.9	65.8	67.6	68.1	52.4
Quang Tri	7.64	65.2	77.3	72.7	68.4	76.5	72.2	56.3
Thanh Hoa	7.61	81.6	68.4	70.3	65.7	73.3	70.0	51.7
Quang Ngai	7.57	75.0	68.0	57.7	64.0	70.8	69.6	43.5
Ho Chi Minh City	7.47	70.5	60.4	57.3	56.9	58.4	58.6	48.8
Ha Tinh	7.18	55.0	44.1	51.4	47.1	50.0	44.1	39.4

Some Assessment Indicators on the Efficiency in Information Provision and Customs Law Dissemination

Name of the Customs Department	Component Indicator 2: Efficiency in providing and disseminating information, providing guidance and consultancy on customs law	Information on customs administrative procedures is readily available, easy to find, easy to access (% Agree)	Information on administrative procedures provided by the CAs is consistent (% Agree)	Information is provided by the CAs quickly and in timely manner (% Agree)	Information on customs administrative procedures is simple and understandable (% Agree)	Easy to fill out administrative procedure forms (% Agree)	Enterprises are satisfied with feedbacks from the customs sub-departments (%)	Enterprises are satisfied with feedbacks from the customs departments (%)
Ca Mau	9.35	100.0	100.0	100.0	100.0	84.2	100.0	85.7
Ha Giang	9.34	100.0	100.0	100.0	91.7	100.0	88.9	100.0
Nghe An	9.06	96.0	96.0	90.0	92.0	94.0	95.0	100.0
Quang Nam	8.79	100.0	97.8	95.5	97.7	100.0	94.7	80.0
Dak Lak	8.77	95.7	95.7	93.5	91.3	95.7	76.2	100.0
Khanh Hoa	8.75	100.0	97.9	100.0	95.7	100.0	90.0	77.8
Lao Cai	8.72	96.4	96.4	92.9	96.4	98.2	80.8	80.0
Hue	8.70	96.3	100.0	88.9	81.5	100.0	92.9	87.5
Can Tho	8.70	97.7	95.5	90.9	86.4	97.7	92.0	87.5
Quang Ninh	8.66	99.0	97.1	98.0	98.0	99.0	81.8	73.9
Lang Son	8.54	94.9	94.0	94.0	92.2	94.8	79.1	81.5
Kien Giang	8.54	80.0	80.0	80.0	100.0	100.0	66.7	100.0
Ba Ria - Vung Tau	8.41	93.2	95.9	95.8	86.1	97.2	82.4	90.0
An Giang	8.37	91.3	100.0	100.0	91.3	91.3	92.3	81.8
Cao Bang	8.35	96.0	96.0	96.0	88.0	88.0	83.3	100.0
Binh Dinh	8.34	96.8	95.8	98.9	95.7	95.8	85.0	68.2
Gia Lai	8.30	100.0	100.0	88.9	96.3	100.0	88.9	71.4
Ha Nam Ninh	8.21	93.3	90.1	93.4	86.5	97.8	75.0	73.7
Dien Bien	8.07	95.5	95.5	95.5	95.5	95.5	80.0	33.3
Dong Nai	7.98	93.8	92.9	91.8	89.5	95.7	74.0	73.9
Binh Duong	7.98	94.5	93.0	93.7	87.4	93.3	77.1	71.7
Tay Ninh	7.97	95.6	93.3	93.3	91.0	93.3	75.0	76.9
Binh Phuoc	7.94	97.3	94.7	94.7	86.7	96.0	70.8	73.3

ANNEX 2

Some Assessment Indicators on the Efficiency in Information Provision and Customs Law Dissemination

Name of the Customs Department	Component Indicator 2: Efficiency in providing information, providing guidance and consultancy on customs law	Information on customs administrative procedures is readily available, easy to find, easy to access (% Agree)	Information on administrative procedures provided by the CAs is consistent (% Agree)	Information is provided by the CAs quickly and in timely manner (% Agree)	Information on customs administrative procedures is simple and understandable (% Agree)	Easy to fill out administrative procedure forms (% Agree)	Enterprises are satisfied with customs sub-departments (%)	Enterprises are satisfied with feedbacks from the customs departments (%)
Dong Thap	7.90	94.7	100.0	88.9	88.2	94.1	87.5	60.0
Long An	7.89	95.7	97.8	94.4	97.8	97.8	81.8	63.2
Hai Phong	7.82	92.7	92.1	91.4	87.4	94.6	77.9	70.1
Bac Ninh	7.81	95.3	94.4	91.8	86.7	96.6	69.4	68.9
Hanoi	7.74	93.8	94.0	89.5	86.6	94.3	66.4	67.6
Quang Binh	7.70	92.3	88.5	88.5	80.8	80.8	68.8	80.0
Da Nang	7.69	90.5	92.9	90.5	87.9	96.8	63.4	73.9
Quang Tri	7.64	96.8	90.0	96.9	93.5	96.7	57.1	57.1
Thanh Hoa	7.61	94.0	93.9	93.9	90.0	97.9	58.6	58.8
Quang Ngai	7.57	92.9	96.4	92.6	88.9	96.4	69.2	55.6
Ho Chi Minh City	7.47	92.4	91.9	88.6	86.2	94.4	66.7	67.4
Ha Tinh	7.18	97.7	90.9	97.7	86.7	86.7	68.2	62.5

Some Assessment Indicators on Satisfaction Level of Enterprises with Customs Clearance Procedures

Name of the Customs Department	Component Indicator 3: Implementation of customs clearance procedures	Level of ease in customs clearance procedures: Customs documents declaration (% Easy)	Level of ease in customs clearance procedures: Verification of customs documents (% Easy)	Level of ease in customs clearance procedures: Physical inspection of goods (% Easy)	KTHS: Inconsistent regulations (%)	KTHS: Customs declaration and other documents need to be printed out and submitted (%)	KTHS: Being required to provide information and documents outside the scope of regulations (%)	KTHS: Prolonged turnaround time (%)	KTHS: Undisclosed information and procedures (%)	KTHS: Customs officers do not adequately and enthusiastically provide instructions (%)	KTHS: Lack of harmonious coordination between the customs authorities and relevant agencies
Dong Thap	8.11	57.9	44.4	41.2	10.0	10.0	10.0	10.0	5.0	0.0	5.0
Ca Mau	8.11	57.9	42.1	33.3	0.0	5.3	0.0	0.0	5.3	0.0	5.3
Kien Giang	8.03	40.0	40.0	40.0	20.0	0.0	0.0	0.0	0.0	0.0	0.0
Quang Ninh	7.88	51.4	33.3	36.9	19.6	4.7	5.6	6.5	1.9	5.6	7.5
Ha Giang	7.87	52.2	34.8	39.1	16.7	16.7	12.5	8.3	4.2	8.3	8.3
Can Tho	7.84	52.3	29.5	30.2	25.0	9.1	4.5	4.5	0.0	0.0	6.8
Dong Nai	7.66	49.0	28.5	27.4	21.8	12.4	5.3	7.9	4.5	6.0	10.9
Thanh Hoa	7.64	52.0	26.0	22.9	17.6	11.8	2.0	9.8	7.8	7.8	9.8
An Giang	7.60	60.9	17.4	30.4	21.7	21.7	17.4	4.3	4.3	0.0	8.7
Khanh Hoa	7.58	43.8	25.0	22.9	25.0	6.3	8.3	4.2	2.1	2.1	6.3
Dak Lak	7.57	50.0	26.1	28.9	28.3	15.2	2.2	10.9	8.7	4.3	15.2
Cao Bang	7.56	58.3	20.8	25.0	32.0	16.0	12.0	16.0	8.0	4.0	12.0
Gia Lai	7.53	34.5	27.6	20.7	6.9	6.9	0.0	6.9	3.4	0.0	10.3
Binh Dinh	7.52	45.4	26.8	22.7	23.7	13.4	9.3	5.2	3.1	3.1	9.3
Hue	7.46	48.1	18.5	11.1	22.2	0.0	0.0	11.1	7.4	3.7	18.5
Lang Son	7.41	44.8	24.8	21.6	22.5	10.8	8.3	10.8	5.8	4.2	10.8
Tay Ninh	7.41	42.9	18.9	17.0	23.1	7.7	2.2	7.7	4.4	6.6	11.0
Long An	7.40	42.2	23.1	24.7	22.8	10.9	6.5	13.0	6.5	9.8	12.0
Binh Phuoc	7.40	44.0	20.3	28.4	28.0	13.3	9.3	12.0	10.7	5.3	6.7
Lao Cai	7.38	45.6	21.1	28.1	25.9	13.8	13.8	15.5	8.6	6.9	17.2
Ba Ria - Vung Tau	7.38	49.3	21.3	16.7	21.3	9.3	13.3	13.3	8.0	4.0	10.7

ANNEX 3

Some Assessment Indicators on Satisfaction Level of Enterprises with Customs Clearance Procedures

Name of the Customs Department	Component Indicator 3: Implementation of customs clearance procedures	Level of ease in customs clearance procedures: Customs documents declaration (% Easy)	Level of ease in customs clearance procedures: Verification of customs documents (% Easy)	Level of ease in customs clearance procedures: Physical inspection of goods (% Easy)	KTHS: Inconsistent regulations (%)	KTHS: Customs declaration and other documents need to be printed out and submitted (%)	KTHS: Being required to provide information and documents outside the scope of regulations (%)	KTHS: Prolonged turnaround time (%)	KTHS: Undisclosed information and procedures (%)	KTHS: Customs officers do not adequately and enthusiastically provide instructions (%)	KTHS: Lack of harmonious coordination between the customs authorities and relevant agencies
Da Nang	7.36	35.7	24.6	22.0	20.0	10.8	5.4	12.3	4.6	5.4	11.5
Ha Nam Ninh	7.34	47.3	19.6	23.9	31.2	14.0	14.0	12.9	6.5	7.5	8.6
Hai Phong	7.31	45.7	18.3	23.2	26.1	13.0	8.8	13.3	7.2	7.4	14.1
Quang Nam	7.31	33.3	20.0	15.9	20.0	8.9	0.0	13.3	4.4	0.0	8.9
Bac Ninh	7.30	32.0	18.2	16.5	16.0	6.8	6.8	6.8	4.6	5.1	11.4
Hanoi	7.27	37.5	20.1	22.4	26.9	12.2	11.1	13.0	6.4	6.6	12.5
Quang Tri	7.21	35.5	22.6	9.7	15.6	6.3	6.3	9.4	9.4	3.1	9.4
Binh Duong	7.17	35.5	16.4	16.5	30.1	14.5	6.2	12.7	7.2	5.1	9.4
Dien Bien	7.16	30.4	9.1	22.7	30.4	21.7	8.7	13.0	8.7	4.3	4.3
Nghe An	7.14	40.0	20.0	16.0	28.0	14.0	8.0	20.0	6.0	4.0	6.0
Ho Chi Minh City	7.00	39.4	14.6	15.6	26.1	17.7	11.5	15.8	8.3	11.4	15.6
Ha Tinh	6.87	31.1	20.5	15.9	33.3	11.1	15.6	15.6	13.3	11.1	20.0
Quang Binh	6.86	46.2	15.4	15.4	25.9	22.2	22.2	22.2	11.1	11.1	22.2
Quang Ngai	6.62	21.4	17.9	17.9	25.0	25.0	28.6	21.4	10.7	17.9	21.4

Some Assessment Indicators on Satisfaction Level of Enterprises with Customs Clearance Procedures

Name of the Customs Department	Component Indicator 3: Implementation of customs clearance procedures	KTTTTH: Inconsistent regulations	KTTTTH: Customs declaration and other documents need to be printed out and submitted	KTTTTH: Being required to provide information and documents outside the scope of regulations	KTTTTH: Prolonged turnaround time	KTTTTH: Undisclosed information and procedures	KTTTTH: Customs officers do not adequately and enthusiastically provide instructions	KTTTTH: Lack of harmonious coordination between the customs authorities and relevant agencies
Dong Thap	8.11	10.0	0.0	0.0	0.0	0.0	5.0	10.0
Ca Mau	8.11	10.5	15.8	0.0	0.0	5.3	0.0	5.3
Kien Giang	8.03	20.0	0.0	0.0	0.0	0.0	0.0	0.0
Quang Ninh	7.88	11.2	2.8	1.9	1.9	3.7	2.8	3.7
Ha Giang	7.87	4.2	0.0	0.0	4.2	4.2	0.0	4.2
Can Tho	7.84	0.0	2.3	0.0	4.5	2.3	4.5	2.3
Dong Nai	7.66	7.9	3.0	1.5	2.6	1.9	1.9	2.3
Thanh Hoa	7.64	3.9	2.0	0.0	2.0	3.9	3.9	3.9
An Giang	7.60	13.0	8.7	0.0	8.7	4.3	0.0	0.0
Khanh Hoa	7.58	10.4	6.3	0.0	6.3	0.0	0.0	2.1
Dak Lak	7.57	6.5	6.5	4.3	2.2	4.3	0.0	4.3
Cao Bang	7.56	0.0	4.0	0.0	4.0	0.0	0.0	4.0
Gia Lai	7.53	3.4	6.9	3.4	3.4	6.9	3.4	6.9
Binh Dinh	7.52	12.4	7.2	5.2	2.1	1.0	2.1	2.1
Hue	7.46	7.4	0.0	0.0	0.0	3.7	0.0	0.0
Lang Son	7.41	12.5	5.8	3.3	6.7	5.0	2.5	8.3
Tay Ninh	7.41	8.8	5.5	2.2	1.1	2.2	2.2	4.4
Long An	7.40	13.0	1.1	3.3	4.3	5.4	2.2	5.4
Binh Phuoc	7.40	8.0	4.0	4.0	6.7	2.7	2.7	9.3
Lao Cai	7.38	10.3	8.6	1.7	1.7	1.7	3.4	3.4
Ba Ria - Vung Tau	7.38	13.3	1.3	4.0	8.0	4.0	2.7	2.7
Da Nang	7.36	6.2	4.6	2.3	6.9	4.6	4.6	8.5
Ha Nam Ninh	7.34	11.8	3.2	2.2	6.5	3.2	4.3	7.5
Hai Phong	7.31	11.7	4.3	5.3	8.2	3.5	2.9	5.1
Quang Nam	7.31	6.7	0.0	4.4	8.9	2.2	4.4	6.7

ANNEX 3

Some Assessment Indicators on Satisfaction Level of Enterprises with Customs Clearance Procedures

Name of the Customs Department	Component Indicator 3: Implementation of customs clearance procedures	KTTTTH: Inconsistent regulations	KTTTTH: Customs declaration and other documents need to be printed out and submitted	KTTTTH: Being required to provide information and documents outside the scope of regulations	KTTTTH: Prolonged turnaround time	KTTTTH: Undisclosed information and procedures	KTTTTH: Customs officers do not enthusiastically provide instructions	KTTTTH: Lack of harmonious coordination between the customs authorities and relevant agencies
Bac Ninh	7.30	7.2	4.2	3.0	3.4	3.8	4.6	3.0
Hanoi	7.27	8.9	4.2	3.6	5.3	3.9	3.9	4.7
Quang Tri	7.21	9.4	6.3	3.1	9.4	6.3	6.3	9.4
Binh Duong	7.17	9.8	7.2	2.5	5.1	2.2	3.3	4.3
Dien Bien	7.16	8.7	4.3	0.0	0.0	0.0	0.0	4.3
Nghe An	7.14	14.0	4.0	10.0	20.0	4.0	6.0	0.0
Ho Chi Minh City	7.00	13.4	7.6	7.1	7.8	5.4	7.1	8.1
Ha Tinh	6.87	13.3	11.1	11.1	11.1	4.4	8.9	8.9
Quang Binh	6.86	22.2	7.4	3.7	7.4	7.4	11.1	14.8
Quang Ngai	6.62	21.4	14.3	7.1	7.1	10.7	3.6	7.1

Some Assessment Indicators on Satisfaction Level of Enterprises with Tax payment Procedures

Name of the Customs Department	Component Indicator 4: Implementation of tax administration procedures	Level of ease in tax administration procedures: Tax payment (% Easy)	Level of ease in tax administration procedures: Tax refund/Tax cancellation (% Easy)	Level of ease in tax administration procedures: Tax payment: Inconsistent regulations (%)	Tax payment: Being required to provide information and documents outside the scope of regulations (%)	Tax payment: Customs officers do not adequately and enthusiastically provide instructions (%)	Tax payment: Lack of harmonious coordination between the customs authorities and relevant agencies	Tax refund: Inconsistent regulations (%)	Tax refund: Being required to provide information and documents outside the scope of regulations (%)	Tax refund: Customs officers do not adequately and enthusiastically provide instructions (%)	Tax refund: Lack of harmonious coordination between the customs authorities and relevant agencies
Ca Mau	8.26	42.1	50.0	5.3	0.0	0.0	0.0	10.5	0.0	0.0	5.3
Quang Ninh	8.24	56.9	41.2	7.5	2.8	0.9	3.7	8.4	4.7	2.8	5.6
Kien Giang	8.20	60.0	40.0	20.0	0.0	0.0	0.0	20.0	0.0	0.0	0.0
Dong Thap	7.94	50.0	42.9	10.0	5.0	5.0	10.0	10.0	5.0	0.0	5.0
Ha Nam Ninh	7.92	48.9	28.2	12.9	1.1	1.1	3.2	7.5	3.2	1.1	5.4
An Giang	7.91	50.0	19.0	4.3	0.0	0.0	0.0	13.0	4.3	0.0	4.3
Thanh Hoa	7.86	45.7	21.6	3.9	0.0	2.0	2.0	7.8	2.0	3.9	3.9
Can Tho	7.79	41.5	27.0	4.5	4.5	4.5	2.3	4.5	0.0	2.3	6.8
Dong Nai	7.77	42.9	28.0	7.1	2.6	2.6	3.8	13.5	3.0	4.1	4.1
Lang Son	7.77	45.6	22.6	6.7	2.5	3.3	5.0	5.8	5.8	3.3	5.0
Ha Giang	7.76	47.8	31.8	4.2	0.0	8.3	12.5	12.5	16.7	4.2	8.3
Lao Cai	7.75	51.8	26.9	10.3	5.2	5.2	5.2	15.5	3.4	1.7	3.4
Hai Phong	7.67	47.0	25.0	12.0	3.7	4.3	7.7	11.7	3.5	3.5	7.7
Cao Bang	7.66	45.8	26.1	12.0	12.0	0.0	8.0	4.0	4.0	4.0	4.0
Ba Ria - Vung Tau	7.65	45.7	23.9	8.0	1.3	1.3	10.7	17.3	5.3	4.0	9.3
Long An	7.63	40.2	19.8	7.6	0.0	5.4	3.3	10.9	6.5	6.5	9.8
Dien Bien	7.63	42.9	31.6	21.7	4.3	4.3	8.7	8.7	4.3	4.3	13.0
Hanoi	7.62	42.6	23.9	8.9	4.4	2.8	6.9	13.0	3.9	5.0	7.5
Hue	7.61	45.8	13.6	11.1	0.0	0.0	7.4	11.1	3.7	0.0	3.7
Da Nang	7.58	37.3	18.2	6.2	0.0	1.5	6.9	10.8	6.9	3.1	10.0

ANNEX 4

Some Assessment Indicators on Satisfaction Level of Enterprises with Tax payment Procedures

Name of the Customs Department	Component Indicator 4: Implementation of tax administration procedures	Level of ease in tax administration procedures: Tax payment (% Easy)	Level of ease in tax administration procedures: Tax refund/Tax cancellation (% Easy)	Tax payment: Inconsistent regulations (%)	Tax payment: Being required to provide information and documents outside the scope of regulations (%)	Tax payment: Customs officers do not adequately and enthusiastically provide instructions (%)	Tax payment: Lack of harmonious coordination between the customs authorities and relevant agencies	Tax refund: Inconsistent regulations (%)	Tax refund: Being required to provide information and documents outside the scope of regulations (%)	Tax refund: Customs officers do not adequately and enthusiastically provide instructions (%)	Tax refund: Lack of harmonious coordination between the customs authorities and relevant agencies
Nghe An	7.56	39.1	16.3	10.0	4.0	0.0	4.0	10.0	6.0	6.0	8.0
Dak Lak	7.52	34.1	31.1	17.4	4.3	2.2	10.9	8.7	2.2	4.3	0.0
Binh Dinh	7.44	31.9	19.6	12.4	0.0	4.1	2.1	19.6	2.1	5.2	7.2
Binh Duong	7.43	36.8	16.5	10.1	4.3	3.3	5.4	13.0	4.3	4.3	5.4
Quang Nam	7.42	25.6	20.5	8.9	2.2	0.0	6.7	8.9	0.0	4.4	8.9
Tay Ninh	7.42	35.7	18.1	13.2	2.2	2.2	5.5	18.7	2.2	5.5	7.7
Gia Lai	7.41	34.6	16.7	3.4	0.0	6.9	10.3	10.3	3.4	6.9	10.3
Quang Tri	7.34	36.7	13.8	6.3	3.1	6.3	9.4	12.5	9.4	12.5	9.4
Binh Phuoc	7.31	30.6	22.1	9.3	4.0	4.0	12.0	14.7	6.7	4.0	6.7
Ho Chi Minh City	7.29	38.9	15.3	11.2	5.8	7.6	8.5	14.1	6.8	8.1	6.5
Khánh Hòa	7.27	26.7	19.6	12.5	2.1	2.1	10.4	14.6	0.0	0.0	2.1
Bac Ninh	7.17	21.1	10.0	7.6	3.0	2.1	5.9	10.1	4.2	4.6	5.5
Quang Binh	7.17	37.5	5.0	11.1	7.4	0.0	7.4	22.2	7.4	7.4	11.1
Quang Ngai	7.03	25.9	25.9	21.4	14.3	10.7	7.1	14.3	3.6	0.0	3.6
Ha Tinh	7.00	31.0	10.0	17.8	8.9	6.7	8.9	15.6	8.9	8.9	11.1

Some Assessment Indicators on Satisfaction Level of Enterprises with Post-Clearance Audit Procedures

Name of the Customs Department	Component Indicator 5: Implementation of post-clearance audit procedures	Level of ease in post-clearance audit procedures (% Easy)	Level of ease in post-clearance audit procedures at enterprises sites:	KTSTQ: Being required to provide information and documents outside the scope of regulations(%)	KTSTQ: Overlapping audit contents	KTSTQ: Post-Clearance Audit Sub-Department inspecting consignments already inspected by the Customs Sub-Department at the checkpoint	KTSTQ: Unprofessional manner of customs officers (%)	KTSTQ: Enterprises are not provided with explanation to unclear issues before decisions are given	KTSTQ: Inspection time taking longer than planned (%)
Ha Giang	7.44	40.9	45.5	0.0	0.0	0.0	0.0	0.0	0.0
Ca Mau	6.99	41.2	25.0	0.0	0.0	0.0	0.0	0.0	0.0
Lao Cai	6.90	38.2	38.5	0.0	14.3	14.3	0.0	0.0	14.3
Quang Ninh	6.85	36.0	34.3	12.5	6.3	6.3	6.3	0.0	0.0
Dak Lak	6.70	31.0	29.3	0.0	20.0	0.0	0.0	0.0	0.0
Dong Nai	6.56	29.2	28.2	3.4	3.4	6.9	0.0	3.4	13.8
Lang Son	6.54	26.1	24.3	6.7	0.0	0.0	0.0	6.7	0.0
Cao Bang	6.53	30.4	31.8	50.0	0.0	0.0	0.0	0.0	0.0
Dien Bien	6.49	27.3	33.3	0.0	50.0	0.0	0.0	0.0	0.0
Can Tho	6.48	23.1	27.8	11.1	0.0	11.1	0.0	0.0	0.0
Thanh Hoa	6.46	21.1	26.3	14.3	0.0	0.0	0.0	0.0	0.0
An Giang	6.38	25.0	23.8	0.0	0.0	14.3	0.0	0.0	14.3
Khanh Hoa	6.36	24.4	25.0	0.0	16.7	16.7	0.0	0.0	0.0
Quang Ngai	6.32	18.5	17.9	0.0	0.0	0.0	0.0	0.0	0.0
Da Nang	6.31	23.0	21.6	8.3	0.0	8.3	0.0	0.0	8.3
Ha Nam/Ninh	6.31	27.4	25.3	25.0	12.5	12.5	0.0	0.0	0.0
Quang Binh	6.27	20.8	21.7	25.0	0.0	0.0	0.0	0.0	0.0
Gia Lai	6.25	16.7	16.7	0.0	0.0	0.0	0.0	0.0	0.0
Binh Phuoc	6.23	25.4	22.1	9.1	4.5	9.1	0.0	9.1	13.6
Quang Nam	6.21	16.2	15.4	0.0	0.0	0.0	0.0	0.0	0.0
Ba Ria - Vung Tau	6.16	24.6	22.7	0.0	9.1	18.2	0.0	9.1	18.2
Binh Dinh	6.14	24.4	24.7	25.0	0.0	12.5	12.5	0.0	12.5

ANNEX 5

Some Assessment Indicators on Satisfaction Level of Enterprises with Post-Clearance Audit Procedures

Name of the Customs Department	Component Indicator 5: Implementation of post-clearance audit procedures	Level of ease in post-clearance audit procedures (% Easy)	Level of ease in post-clearance audit procedures at enterprises sites:	KTSTQ: Being required to provide information and documents outside the scope of regulations(%)	KTSTQ: Overlapping audit contents	KTSTQ: Post-Clearance Audit Sub-Department inspecting consignments already inspected by the Customs Sub-Department at the checkpoint	KTSTQ: Unprofessional manner of customs officers (%)	KTSTQ: Enterprises are not provided with explanation to unclear issues before decisions are given	KTSTQ: Inspection time taking longer than planned (%)
Hanoi	6.11	24.0	24.7	8.1	8.1	18.9	2.7	10.8	16.2
Long An	6.02	24.4	24.7	11.1	33.3	11.1	0.0	11.1	11.1
Hue	5.95	18.2	13.0	0.0	0.0	0.0	0.0	0.0	33.3
Tay Ninh	5.91	16.3	16.0	0.0	14.3	28.6	0.0	0.0	0.0
Nghe An	5.89	23.3	18.6	13.3	20.0	20.0	6.7	6.7	6.7
Binh Duong	5.88	16.6	17.2	10.3	5.1	7.7	7.7	7.7	12.8
Hai Phong	5.77	24.1	23.1	13.5	16.2	18.9	16.2	18.9	21.6
Ho Chi Minh City	5.72	19.7	18.3	13.6	23.7	13.6	5.1	11.9	16.9
Ha Tinh	5.70	17.5	16.2	25.0	25.0	0.0	0.0	25.0	0.0
Quang Tri	5.53	10.7	7.1	0.0	0.0	0.0	0.0	0.0	50.0
Kien Giang	5.50	50.0	50.0						
Bac Ninh	5.42	14.0	11.7	29.4	5.9	11.8	11.8	11.8	17.6
Dong Thap	4.61	41.7	38.5						

References

- 1 The Vietnam Chamber of Commerce and Industry, The General Department of Vietnam Customs and the United States Agency for International Development (2019). *Businesses' Satisfaction with Import-Export Administrative Procedures. Findings from the 2018 Survey.*
- 2 The Vietnam Chamber of Commerce and Industry, and The General Department of Vietnam Customs (2018). *Businesses' Satisfaction with Import-Export Administrative Procedures. Findings from the 2017 Survey.*
- 3 The Vietnam Chamber of Commerce and Industry, and The General Department of Vietnam Customs (2017). *Businesses' Satisfaction with Import-Export Administrative Procedures. Findings from the 2016 Survey.*
- 4 The Vietnam Chamber of Commerce and Industry, The General Department of Vietnam Customs and the United States Agency for International Development (2016). *Businesses' Satisfaction with Import-Export Administrative Procedures. Findings from the 2015 Survey.*
- 5 The Vietnam Chamber of Commerce and Industry, The General Department of Vietnam Customs and the United States Agency for International Development (2020). *Business Satisfaction and Time Needed to Carry out Administrative Procedures through the National Single Window.*
- 6 The General Department of Vietnam Customs (2020). *The Trading Across Borders Index in the Doing Business Report of The World Bank.*
- 7 The Ministry of Industry and Trade (2020). *The Vietnam's Import-Export Report 2019.*
- 8 The World Bank (2019). *Doing Business 2020.*

NOT FOR SALE