**Launch event: the Foreign Investment Screening Instrument**

**16 November, Hanoi.**

**TPs Ramla Khalidi.**

* Mr. Đậu Anh Tuấn, Deputy General Secretary, VCCI,
* Distinguished guests, ladies and gentlemen,
* It is an honour for me to be here with you this morning for the launch of the Foreign Investment Screening Instrument. Its a pleasure to see Viet Nam pioneering such an important initiative.
* Ensuring that businesses act responsibly is imperative for Viet Nam. It supports Viet Nam retain its position in global supply chains and contributes to the achievement of the Sustainable Development Goals.
* And Foreign investment screening can play an important role in ensuring that new investments contribute to sustainable development.
* The Screening Instrument being launched today was developed by VCCI and UNDP to support provincial governments with a practical tool to assess whether investments and projects integrate responsible business practices.
* This is an area of priority for the government, which is currently developing a National Action Plan on Responsible Business Practices.
* Around the world, we observe a strong legislative and regulatory push towards ensuring that businesses pay attention and actively address their adverse impacts on people and the planet.
* For example, the European Union and others are adopting human rights and environmental due diligence laws that require companies to identify, prevent, mitigate and remedy their impacts on workers in the supply chain, as well as address environmental pollution and climate impacts.
* Similarly, the Government of Japan recently issued guidelines on human rights due diligence to guide Japanese companies. This is expected to impact how Japanese companies operate in Viet Nam and elsewhere.
* And in the United States, the government is currently enforcing import bans for products developed using forced labour.
* These and other regulatory developments are influencing international business decisions.
* For example, in response to the regulatory developments on responsible business, along with the disruptions caused by global trade by the COVID-19 pandemic, multinational corporations are considering restructuring their supply chains.
* One option at their disposal is to “de-risk” their supply chains from social and environmental risks, as well as potential supply chain disruptions, by shifting production away from suppliers or countries where responsible business practices are not implemented.
* For these and other reasons, it has become more important than ever for Viet Nam to ensure that business is aligned with global best practice and conducted in a manner that benefits workers and local communities and safeguards the environment.
* At the same time, local governments should pay close attention to ensure foreign investors contribute to job creation, technology transfer, and strengthening the skills of local industries.
* Local governments would benefit from reviewing provincial socio-economic plans, to ensure that foreign investors are filling gaps that are not yet covered fully by domestic and public investments.

Dear distinguished participants,

* The Foreign Investment Screening Instrument comes at a very opportune moment, as the Government has identified responsible investment as one of the five priority areas of the upcoming *National Action Plan on Responsible Business Practices* of Viet Nam.
* Local governments in Viet Nam will now have a tool at their disposal. A tool that can provide practical evidence-based information to promote responsible business and sustainable development when deciding on whether to approve incoming investments.
* The Instrument provides flexibility to local authorities to assess investments based on the specific circumstances of their localities while, at the same time, setting certain minimum requirements that are needed to foster a responsible business environment.
* If the toolkit is accompanied by monitoring and data collection, then this initiative could also inform future policy development. In this respect, authorities can record data on investment appraisals and the reasons for approvals or rejections, and monitor the performance of approved investments.
* UNDP is proud to be a partner in promoting responsible business practices to create sustainable and resilient companies in Viet Nam and beyond.
* Opportunities like today, when stakeholders can share experiences and learn from one another, can help us all achieve the Sustainable Development Goals.
* UNDP looks forward to exploring how we can collectively build on the important steps taken here today and provide further support to the implementation of the toolkit.
* I would like to extend my congratulations to VCCI for spearheading the Foreign Investment Screening Instrument, and thank the Government of Sweden for supporting this initiative.
* I wish you a successful day in charting a course towards responsible investment in Viet Nam.