

VBF VIETNAM BUSINESS FORUM

Committed to accompanying the Government towards
a favorable business environment in Vietnam.



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INTRODUCTION

The Vietnam Business Forum (VBF) is a public-private dialogue that provides the private sector with a platform to assist the Vietnamese government with developing a favorable business environment that attracts domestic and foreign private sector investment and stimulates sustainable economic development in Vietnam.

Key VBF objectives include working with the Government to create pathways to long-term and sustainable business performance as well as to promote the interests of the national and international business community in Vietnam and enhance investment and trade in local and overseas markets.

➤ CONSORTIUM MEMBERS

The VBF Consortium is led by 6 Chambers



➤ ASSOCIATE CONSORTIUM MEMBERS

There are 9 other business organizations and Chambers of Commerce who participate in the Consortium as Associate Consortium Members



	Business Chamber/ Association	Total Members * (Incl. corporate & individual members)	Foreign Investment ** (Accumulated from 1998 to 2021) Total registered investment (million USD)
1	AmCham	3,150	10,061
2	AusCham	557	1,936
3	BritCham	700	3,990
4	CanCham	61	4,809
5	CTCVN	1,711	35,129
6	EuroCham	1,138	22,412
7	Hanoi BA	649	N/A
8	HKBAV	369	27,655
9	InCham	269	992
10	JCCI	1,971	64,225
11	KoCham	2,000	74,138
12	SBA	90	1,854
13	SBG	458	63,577
14	ThaiCham	278	12,982
15	VCCI	200,000	N/A
	TOTAL	213,401	310,780

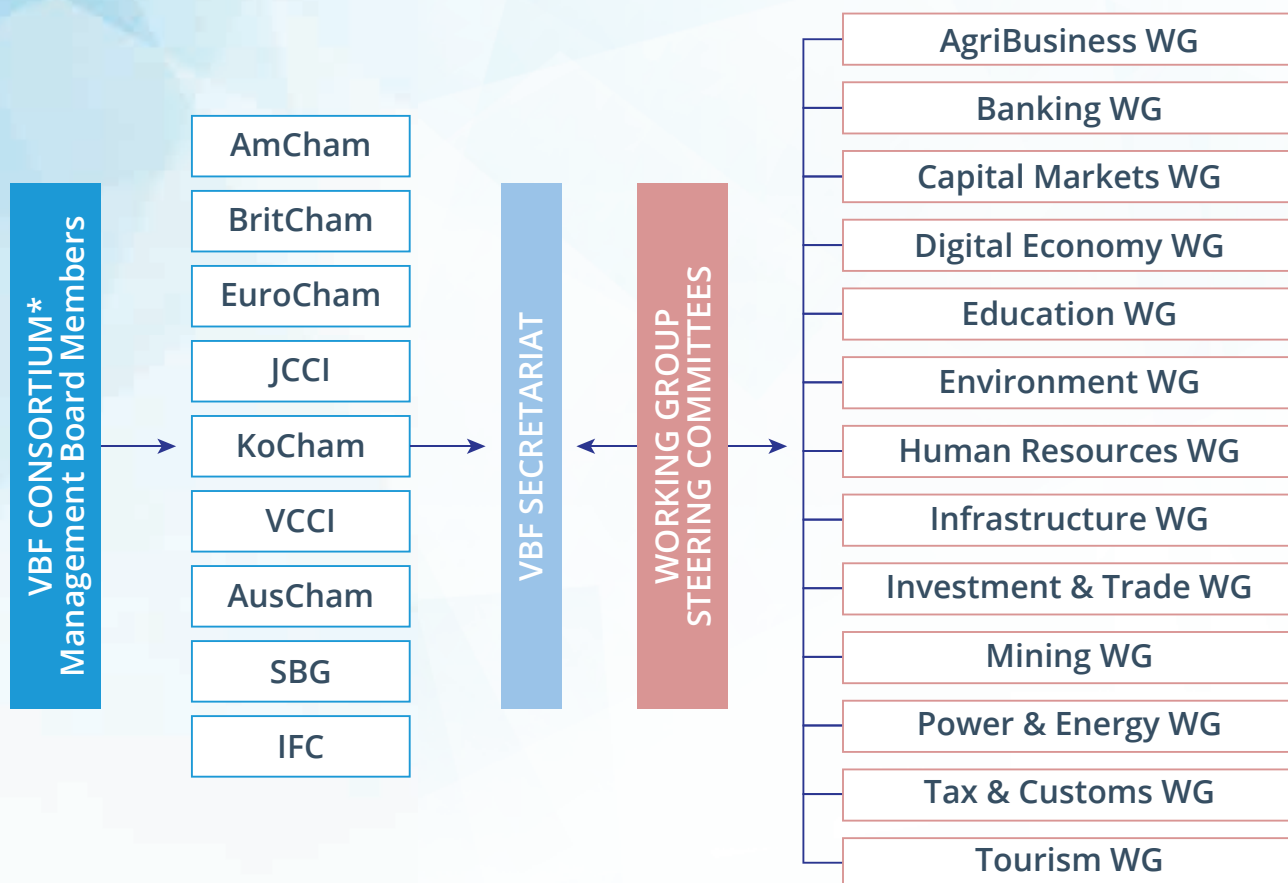
Note: Annual employed population working for foreign invested sector: **4,733,800** persons, equalling to **8.8%** of total nation's employees

Source: Statistical Yearbook of Vietnam 2020

* Source: VBF Chambers

** Source: Foreign Investment Agency, Ministry of Planning & Investment

ORGANISATION CHART



***Note: VBF Consortium includes:**

- CONSORTIUM MEMBERS:

1. AmCham (American Chamber of Commerce in Vietnam)
2. BritCham (British Chamber of Commerce Vietnam)
3. EuroCham (European Chamber of Commerce in Vietnam)

4. JCCI (Japanese Chamber of Commerce and Industry in Viet Nam)
5. KoCham (Korean Chamber of Commerce and Industry in Vietnam)
6. VCCI (Vietnam Chamber of Commerce and Industry)

- ASSOCIATE MEMBERS:

7. AusCham (Australian Chamber of Commerce in Vietnam)
8. CanCham (Canadian Chamber of Commerce in Vietnam)
9. HanoiBA (Hanoi Young Business Association)
10. HKBAV (Hong Kong Business Association in Vietnam)
11. InCham (Indian Chamber of Business in Vietnam)

12. SBG (Singapore Business Group)
13. SBA (Swiss Business Association in Vietnam)
14. CCTVN (Council of Taiwanese Chamber of Commerce in Vietnam)
15. ThaiCham (Thai Chamber of Commerce and Industry in Vietnam)

- WORKING GROUPS AND THEIR RESPECTIVE STEERING COMMITTEES



MILESTONES



THE SETTING

1997

At the Consultative Group Meeting between the Government of Vietnam and the donor community held in Tokyo, Japan on December 1997, the International Finance Corporation (IFC) suggested a Government – Private Sector Dialogue. The initiative was made in the context that government, donors, and foreign investors were looking for improvements to accelerate investment in response to the slowdown of foreign investment in Vietnam and the 1997 Asian Financial Crisis.

1998

THE LAUNCHING



In February 1998, the Prime Minister called for a meeting with about 300 foreign investors in HCMC and key bilateral and multilateral donors, including The World Bank and IFC. The only agenda of the event was for the top government officials to listen to the foreign investors' viewpoints.

At various discussions orchestrated by IFC among group of private investors and donors on how best to structure the initiative, the adopted solution was that instead of having a free-flowing unstructured get-together where company representatives would raise their own concerns, presentations would be made by business organizations. In this way, the agenda and the presentations would reflect concerns of the (foreign) private sector at large.

In December 1998, the Private Sector Forum (PSF) was established as part of the Consultative Group (CG) process with 3 parties: government, donors and private sector, and also in that month, the first Forum took place in Hanoi. IFC agreed to play the role of PSF Chairperson.

In 1999, some working groups were formed around key issues: Banking, Legal, Infrastructure, and Manufacturing & Distribution. The first PSF with all the main elements in place happened in June 1999 in Haiphong, proposing solutions to involve domestic private sector in the PSF.

2000

EXPANDING THE PSF TO INCLUDE DOMESTIC PRIVATE SECTOR



At the Private Sector Forum (PSF) held on December 2000, it was decided to involve the domestic private sector in the Forum.

By 2000, the PSF had taken on the basic format with three main components:

- Semi-annual meetings with senior government officials and with the donors in attendance;
- Meetings of the private sector and donors with government participation every 3 months which aims to prepare the agenda for the upcoming PSF; To enhance effectiveness of the PSF, a representative of the private sector would report on the main points arising at each Forum to the next following Consultative Group meeting.
- Working Group's meetings on average every 2 to 4 weeks.



2012



VBF SECRETARIAT TRANSFERRED FROM IFC TO BUSINESS CHAMBERS/ ASSOCIATIONS

The coordination function of VBF Secretariat was transferred from IFC to a consortium of international and local business chambers/ associations, which also assumed fiscal responsibility for the VBF's operations, enabling the private sector to play a bigger role in the Forum's sustainable development.





2017



VBF 20th ANNIVERSARY

The Annual VBF 2017 held on 12 December 2017 marked the 20-year contribution of VBF in accompanying with the government towards a favorable investment environment. VBF is currently led by 06 consortium members and supported by 09 associate members, which are foreign and local business chambers/ associations. There are now 13 Working Groups under the VBF umbrella covering almost all areas of business operations and seeking to support the Government through various on-going activities, notably regular high-level meetings.



PROCESS & TOOLS

VBF provides local and foreign enterprises of 15 business chambers/ associations with opportunities to contribute active inputs in regulatory and legislative policy decisions and thus contribute to increase the quality of laws and regulations. VBF's efforts to improve the business environment in Vietnam are currently centred on supporting the drafting and ratification of laws and guiding documents through participatory consultation mechanisms.

VBF has been working closely with key national law-makers, from Ministry-level to the National Assembly, to improve the quality of laws and develop tools/ guidelines to ensure that they are effectively implemented. VBF's role in this process includes:

- **Internal Working Groups meetings**

Meetings held to prioritize particular private sector Working Group issues and work out dialogue agendas.

- **High-level policy dialogues between Ministries and business communities**

The dialogues can be requested by either side on any subject or issue deemed necessary for discussion.

- **Semi-Annual Forums**

- Mid-term Forum with technical sessions is usually held in every June and co-chaired by the leaders of the Ministry of Planning and Investment. The event offers straightforward and open discussions between the VBF Working Groups/ Chambers and related Ministries on policy issues in various sectors.

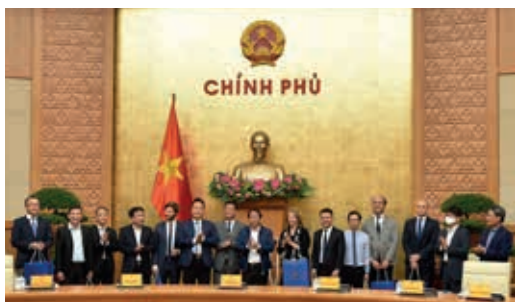
- Year-end Forum with technical and high-level sessions is conducted over two consecutive days every December. For the high-level session, the VBF has the honor to receive the Government leaders at the highest level, such as the Prime Minister, the Deputy Prime Minister, and (Vice) Ministers, to attend and respond to wide range of business issues. The year-end Forum features one specific theme that is in line with the current concerns of the private sector and the Government and is co-chaired by the Minister of Planning & Investment, the World Bank's Vietnam Country Director, the IFC's Regional Manager, and the VBF Co-chairmen.

- **Development of reports, researches and legal analysis, etc**

That identify problems and practical solutions.

- **Strong involvement of the press**

Helps to bring businesses' issues to the public to win its support for reforms as well as to stimulate more practical input for further reforms.



ACHIEVEMENTS & IMPACTS

VBF has produced tangible results for the private sector. Significant reforms can be attributed, at least in part, to the Forum. Equally important has been its introduction of open dialogue and enhanced transparency in the decision making process.

It was through the Forum that the private sector participated for the first time in the law-making process. Hundreds of reforms covering different aspects of business environment have been suggested and brought into implementation thanks to the Forum, including:

- Unifying the legal framework for domestic and foreign investment and business; Leveling of playing field for foreign and local companies.
- Phasing out dual pricing of goods and services to foreign vs. domestic entities.
- Streamlining of licenses and approvals.
- Improvements in patent and industrial design protection.
- Clearer and more transparent land clearance and compensation procedures.
- Reductions in various fees and taxes.
- Enhancement of transparency in the capital markets through improvement of information disclosures.
- Increase of port capacities.
- Generally implementing commitments under the many important international trade and investment agreements to which Vietnam has acceded.

Currently, consultations with the stakeholders for formulation of laws/ regulations are mandated by law. Thanks to the Forum, local and foreign private sector business associations are well teamed up with a smooth structure to ensure collective voices. Thus, many key recommendations and suggestions have been reflected in the laws/ guiding documents and national important strategies, such as:

- Covid-19 prevention/control measures and economic recovery strategies (2020, 2021)
- Investment Law (2015, 2020)
- Enterprises Law (2015, 2020)
- PPP Law (2020)
- Securities Law (2013, 2019)
- Labor Code (2012, 2019)
- Cyber Security Law (2018)
- Law on the State Bank of Vietnam (1997)
- Law on Credit Institutions (1997, 2017)
- Resolution No. 42/2017/QH14 on pilot settlement of bad debts of credit institutions
- Law on Export and Import duties (2016)
- Abolition of visas for visitors/ tourists from European countries as France, Germany, and the UK





VBF has established a constant and continuous policy dialogue channel with government counterparts, serving as a strong bridge between 15 business associations and government authorities/ other related parties (such as World Bank, IFC, international organisations, etc) towards completing the legal framework and business environment.

VBF has built up an excellent reputation and gained strong support from the Government, reflecting at the presence of the Government leaders at highest level at the VBF's semi-annual forums, such as Former Deputy Prime Minister Vu Khoan and Former Deputy Prime Minister Pham Gia Khiem at 2003 - 2006 forums, Former Prime Minister Nguyen Tan Dung at 2012 - 2016 forums, Former Prime Minister Nguyen Xuan Phuc at 2017 - 2020 forums, and Prime Minister Pham Minh Chinh at the 2022 forum.

VBF has served as a model for other developing countries. VBF has received many foreign delegations as observers at its semi-annual forums, from South Africa, Brazil, Mongolia, Laos, Cambodia, etc...



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