



USAID TRADE FACILITATION PROGRAM

2018 - 2023 | NATHAN ASSOCIATES INC | PLANNED BUDGET: \$21.7 million

Over the past two decades, Vietnam has become one of the most open economies in the world. However, inefficient border procedures are preventing Vietnam from improving its trade competitiveness. Specialized inspection is a step in the customs clearance procedure that is implemented by related ministries on imports and exports. Vietnam's specialized inspections involve multiple ministries, causing major delays in border clearance, costing traders time and money, and hurting small and medium enterprises (SMEs) the most. The five-year USAID Trade Facilitation Program aims to support the Government of Vietnam (GVN) to adopt and implement a risk management approach to customs and specialized inspection agencies, which will strengthen the implementation of the World Trade Organization's Trade Facilitation Agreement (TFA) of which both Vietnam and the United States are members. This will assist Vietnam in achieving its development objectives while reducing the time and cost to trade.

STRENGTHENING INTERAGENCY COOPERATION

The GVN has tasked the General Department of Vietnam Customs (GDVC) under the Ministry of Finance to coordinate inter-ministerial efforts to streamline, harmonize and apply risk management-based approaches to customs and specialized inspection. The USAID Trade Facilitation Program will work with GDVC to strengthen the role and capacity of Vietnam's National Trade Facilitation Committee (NTFC) and their associated working groups; streamline border clearance procedures including specialized inspections implemented by other ministries and agencies; and harmonize the implementation of risk-based approaches between national and provincial level entities. The program will also train customs officers on risk management and facilitate national-provincial dialogue as well as dialogue between GDVC and the business community on trade facilitation and customs issues.

EXPECTED RESULTS

By supporting risk-based approaches to border clearance, USAID will help Vietnam present a more attractive and predictable trade and investment climate for domestic SMEs and international traders and investors, including those in the United States. In close partnership with GDVC and other GVN units, USAID aims to achieve the following results across four components:

- Policies and procedures across GVN units harmonized and simplified;
- National-provincial coordination of trade facilitation strategies for import and export goods strengthened;
- Provincial level implementation and inter-provincial coordination in at least five targeted provinces strengthened as well as capacity building for provincial customs officers;
- Partnership between customs and the private sector enhanced.