

PCI 2014

PROVINCIAL
COMPETITIVENESS INDEX

SURVEY QUESTIONNAIRE FOREIGN INVESTOR MODULE

Survey Questionnaire

2014 Provincial Competitiveness Index (PCI)

Foreign Investor Module

(City/Province)Date

Thank you very much for agreeing to be part of the Provincial Competitiveness Index (PCI) survey of foreign investors this year. The information you provide will be invaluable in helping us understand the obstacles and bottle-necks faced by investors trying to do business in Vietnam. Data collected from this report is analyzed and presented to the highest levels of government officials in Vietnam. Please rest assured that all information in this survey will remain strictly confidential. While we record basic business information for data verification purposes, this information is expunged from the dataset before any analysis begins. Please note that the survey need only be filled out in English OR Vietnamese, not both.

BACKGROUND INFORMATION

1. Name of Firm:
2. Country where the headquarters of the mother company or biggest FOREIGN investor is located?
3. Manager's country of origin:
- Gender: Male Female
4. Address:
5. Telephone Number:..... 6. Fax Number :
7. E-mail address:.....
8. Name of Respondent:.....
9. Position of Respondent in Company:.....

A. OVERVIEW OF FIRM

In this section of the survey, we simply want to ask you a few basic questions about the age, size, and scope of your company's business operations.

[Please note that throughout the survey we will use the terms "your firm" or "your business" to describe the enterprise, company, or Vietnamese branch of the multi-national business where you are employed as a director or manager.]

1. In what year did your firm first apply to receive a license to invest in Vietnam? YEAR
 - 1.1. In what year did your company receive its investment license?..... YEAR
2. Who officially issued the investment license for your project in this province?
 - The Prime Minister
 - The Ministry of Planning and Investment (MPI)
 - The Provincial Department of Planning and Investment (DPI)
 - The Industrial Zone Management Board, where operations are located.
3. Have you adjusted your investment license since your initial investment?.....
 - YES (Please answer question A3.1 to A 3.4) NO (Please skip to question A4)
 - 3.1. If YES, what year ?
 - 3.2. If YES, by how much have you increased your licensed investment size?..... USD
 - Investment size did not change
 - 3.3. Have you registered to invest in a new project that involves a separate goods or service since your initial investment?
 - YES NO

11. We would like to know a little bit about your company’s performance. This will help us understand how changes in the business environment affect the success of foreign enterprises in your industry. Please let us know how your firm’s profit margin (net profit after taxes/revenue) has changed over time?

	1. Loss of 10% of revenue or greater	2. Between 10 and 5% loss	3. Between 5 and 0% loss	4. Broke even	5. Between 0 and 5% profit margin	6. Between 5 and 10% profit margin	7. Between 10 and 20% profit margin	8. Over 20% profit margin
First year after Establishment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In 2013?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To date in 2014?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. Which statement best characterizes your firm’s investment plans over the next 2 years?

- Plan to considerably increase the size of operations
- Plan to increase the size of operations
- Will continue operating at present size
- Plan to reduce the size of operations
- Plan to considerably reduce the size of operations
- Plan to close this business

13. Please estimate the total value of your sales of goods and services in 2013?USD

14. Who are your customers? *Please check all that apply*

- Sold domestically to a state owned enterprise (SOE)
- Sold to state agencies (at central and local level)
- Sold domestically to private individuals or firms
- Sold to foreign individuals or firms located in Vietnam
- Exported to home country
- Exported to a third country

15. Please estimate the total value of your expenditures (including those purchases in domestic market and imported) for intermediate goods and services in 2013?.....USD

16. Who are your suppliers of intermediate goods and services? *Please check all that apply*

- Stated Owned Enterprises
- Domestic private companies
- Household business or individuals
- Produced in-house by your local operations
- Imported from home country
- Imported from a third country, which country?.....

16.1. In the past year, have you hired an accountant (i.e. PriceWaterhouseCoopers or KPMG) to help you assess the fair market value for inputs purchased from in-house or overseas? YES NO

B. THE INVESTMENT DECISION

In this section of the survey, we are interested in what factors motivated your decision to invest in Vietnam and the specific location within Vietnam.

1. When considering your company’s investment in Vietnam, what other countries did you consider?

Country 1:.....

Country 2:.....

Country 3:.....

- No other country was considered.

2. Did your company eventually select Vietnam over the other countries, or did you choose to invest in Vietnam as part of a multi-country strategy?

- Selected Vietnam over competitors
- Multi-country strategy (Please list the other countries from the Asian region)

.....,

- 3a.** How would you compare the business environment in Vietnam to other countries in which you considered investing?
- | | | |
|--|------------------------------|-----------------------------|
| I face less corruption in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face fewer regulatory constraints in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face lower tax rates in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face lower risks of expropriation in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face fewer policy uncertainties in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Infrastructure is better in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Public service delivery is better in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I play a more active role in policymaking in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- 3b.** How would you compare the business environment in your home country and Vietnam?
- | | | |
|--|------------------------------|-----------------------------|
| I face less corruption in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face fewer regulatory constraints in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face lower tax rates in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face lower risks of expropriation in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face fewer policy uncertainties in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Infrastructure is better in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Public service delivery is better in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I play a more active role in policymaking in Vietnam | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- 4.** Did your company eventually select only this province over others, or did you choose to invest in this province as part of a multi-location strategy?
- Selected this province over competitors
- Multi-location strategy. *(Please name the other provinces, where you currently have operation.....)*
- 5.** How would you compare the business environment in this province to other provinces in which you considered investing?
- | | | |
|--|------------------------------|-----------------------------|
| I face less corruption in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face fewer regulatory constraints in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face lower tax rates in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face lower risks of expropriation in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I face fewer policy uncertainties in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Infrastructure is better in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Public service delivery is better in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I play a more active role in policymaking in this province | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- 6.** Did the province you eventually selected offer you an investment incentive package?
- Yes *(If yes, please tell us a little more about the incentive package in question B6.1 to B6.6)*
- No *(Please skip to question B7)*
- 6.1. Was your firm provided with a corporate income tax holiday? Yes No
- 6.2. Was your firm provided with a corporate income tax reduction? Yes No
- 6.3. Were you provided with a reduction in land use right purchase fees? Yes No
- 6.4. Were these the province's original offers or were they negotiated? Original offer Negotiated
- 6.5. Would you have invested in the province without the tax incentive? Yes No
- 7.** If you considered investing in another province, how did the tax incentive (if any) of the other province compare to the one where you invested?
- Better
- About the same
- Worse
- Our business did not consider investing in another province.
- 8.** In addition to individual experience and in-house research, what were your primary sources of information about investment opportunities and the business environment in Vietnam? *Check all that apply?*
- a. I don't have a good source of information (skip to C1).
- b. Vietnamese embassy/consulate or Vietnamese investment promotion agencies
- c. Home country embassy/consulate based in Vietnam

- d. Investment guides or other direction provided by home government
- e. Industry associations
- f. Friends and personal network
- g. Internet. Which Provider?.....
- Other, please specify:

Please indicate your top three sources of information (from a to g): 1..... 2..... 3.....

9. Are you aware of the unrest that took place in HaTinh province in May 2014?
- YES (Answer question C10)
 - NO (Please skip to question 11)

10. If yes, what do you think was the primary cause of the HaTinh unrest? (Check all that apply)

- Disagreement between labor and management in affected companies
- Dissatisfaction of Vietnamese citizens with all foreign investors
- Dissatisfaction of Vietnamese citizens with all Asian investors
- Dissatisfaction of Vietnamese citizens with Chinese investors
- Spontaneous display of nationalism
- Spontaneous display of frustration between Vietnamese and Chinese workers
- Organized protest designed to embarrass Vietnamese government
- Other (Please explain)

11. How did the events HaTinh province affect your plans for continue your investment in Vietnam?

- Very Negatively (Answer Question 12)
- Negatively (Answer Question 12)
- Not at all (Please Skip to Question C1)
- Positively (Please Skip to Question C1)
- Very Positively (Please Skip to Question C1)

12. If you answered negatively, what will change about your investment plans? Please answer that all apply

- We will reduce the capital size of our planned project.
- We will reduce investment implementation speed.
- We will spend more on protecting business premises.
- We will expend more resources on labor relations
- Will will reduce the number of provinces in which we are operating.
- We plan to close our existing projects
- Other (Please explain)

C. BUSINESS START-UP

In this section, we would like you to reflect on the procedures necessary to operate your business legally in Vietnam. We are specifically interested in business registration and licensing procedures.

1. From the day you submitted the application to the day you received it, how long did it take for you to receive your... (Feel free to calculate months as 30 days and years as 365 days).

- 1.1. Initial Investment license for your project in this province? DAYS
- 1.2. Most recent investment license for your project in this province? DAYS
- 1.3. Business registration certificate for your firm in this province? DAYS
- 1.4. Tax code for your project in this province? DAYS

2. Was your most recent investment license issued concurrently with your business registration certificate? Yes No

3. Apart from investment license, registration certificate, and tax code did your firm need any additional documentation (licenses, permits, or stamps...) to operate legally?

- YES (Please answer question C3.1 to C3.2)
- NO (Please skip to question C4)

3.1. How many additional documents were necessary to operate legally?..... DOCUMENTS

3.2. Which documents were required?

- a.....
- b.....
- c.....

4. Considering all your documentation, how long did it take you to get all required registration certificate, licenses, and stamps to be a fully legal business in your province?
- Same day
 - Within one week
 - Over one week to less than a month
 - 1-3 months
 - 3-6 months
 - 6 months to 1 year
 - More than 1 year

5. Including formal, lawyer costs, and other expenses, what was the total cost to your firm of fulfilling all procedures to be fully legal in your province?..... \$

6. Please take a look at the following list of common activities that firms engage in to expedite the steps needed to receive their investment license.
- Followed procedures for business license on website of provincial government.
 - Hired a local consulting/law firm to obtain the license the firm for you.
 - Looked for a domestic partner who was already registered.

Please do not answer about any one of these activities specifically, we are only interested in the total number you may have utilized.

How many of the above activities did you engage in when fulfilling any of the business registration activities listed above?

NUMBER OF ACTIVITIES: 0 1 2 3

D. BUSINESS PREMISES

In this section of the survey, we are interested in your thoughts on finding and securing land or office space for your company's operations. Please reflect on how you acquired land for your operations in this province

1. What is the total land area your firm presently utilizes in this province?.....m2
2. Is there any part of your firm's business premise that is located within an industrial zone/concentration area?
- YES NO
3. Was your land introduced to you by a provincial government agency?
- YES NO
4. Do you have a land use rights certificate (LURC) for this plot of land?
- YES (*Please answer questions D4.1 and D4.2*)
 - No, we rent or lease land (*Please skip to question D5*)
 - No, LURC held by joint venture partner (*Please skip to question D5*)
- 4.1. What year did you receive the land use rights certificate?.....YEAR
- 4.2. From the day you submitted your application, how long did it take to receive the LURC?.....DAYS
5. Please evaluate your perception of the risk of expropriation of your business premises
- Very Low
 - Low
 - Moderate
 - High
 - Very High

E. REGULATORY & ADMINISTRATIVE COSTS

Please tell us about your interactions with local government officials and whether such interactions impede or bolster operations.

1. How many total times was your business inspected/examined in 2013?.....times.
2. From this list, please select the three agencies that most frequently completed inspections/examinations of your firm in 2013

a. Fire and Safety	g. DONRE (Natural Resources and Environment Inspectors)
b. Traffic Police	h. Tax Authority
c. Police	i. Food Safety and Sanitation
d. Customs Authorities	j. Construction
e. DOLISA (Labor Regulators)	k. Other
f. Market Regulator	

Record the letter of these agencies (a-k) in the box below.

	Most Frequent	2 nd Most Frequent	3 rd Most Frequent
Agency's letter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. What percentage of senior management's time per year is spent interacting with government officers in order to understand and comply with administrative procedures?

<input type="checkbox"/> Less than 1%	<input type="checkbox"/> From over 10% to 15%
<input type="checkbox"/> From 1% to 5%	<input type="checkbox"/> From over 15% to 50%
<input type="checkbox"/> From over 5% to 10%	<input type="checkbox"/> Over 50%
4. From your experience in the province, please list the 3 most troublesome administrative procedures to firms (Starting with the MOST troublesome administrative procedure). These may include renewing business licenses for specific industries, applying for construction permit

(1).....

(2).....

(3).....
5. Which taxes in Vietnam are you currently paying as part of your normal business operations? Check all that apply

<input type="checkbox"/> Value Added Tax
<input type="checkbox"/> Corporate Income Tax
<input type="checkbox"/> Special Consumption Tax
<input type="checkbox"/> Personal Income Tax for high wage employees
<input type="checkbox"/> Customs taxes on import and export
<input type="checkbox"/> Land fees and conversion taxes
<input type="checkbox"/> Natural resource exploitation taxes
6. Based on your experience in and perceptions of other countries, please rate the tax burden in Vietnam compared to other countries at similar levels of development:

<input type="checkbox"/> High	<input type="checkbox"/> Comparable	<input type="checkbox"/> Low
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7. Based on your experience in and perceptions of other countries, please rate the predictability of changes in Vietnamese tax policies compared to other countries at similar levels of development:

<input type="checkbox"/> High	<input type="checkbox"/> Comparable	<input type="checkbox"/> Low
-------------------------------	-------------------------------------	------------------------------

8. Please look at the following list of activities that foreign firms currently use to lower their tax burden in Vietnam:

- Hired an international law firm to advise on tax policy
- Hired a domestic law firm or consultancy to advise on tax policy
- Increased purchases from Vietnamese vendors
- Raised the price for internal purchases of goods and services to lower reported profits

Please do not answer about any one of these activities specifically, we are only interested in the TOTAL NUMBER you may have employed. **How many** of the above activities did you engage before filing your most recent tax payment?

NUMBER OF ACTIVITIES: 0 1 2 3 4

9. Do you agree with the following statement? "Government officials use compliance with local regulations to extract informal payments from businesses like mine."

- Strongly agree
- Agree
- Disagree
- Strongly disagree

10. On average, what percentage of income do firms in your line of business typically pay per annum in unofficial payments to public officials?

- | | |
|--|--|
| <input type="checkbox"/> 0% | <input type="checkbox"/> From 5% to less than 10% |
| <input type="checkbox"/> Less than 1% | <input type="checkbox"/> From 10% to less than 20% |
| <input type="checkbox"/> From 1% to less than 2% | <input type="checkbox"/> From 20% to less than 30% |
| <input type="checkbox"/> From 2% to less than 5% | <input type="checkbox"/> Over 30% |

10.1. In your opinion, if firm in your province pays the required 'additional payment' how often is the service delivered as the firm expected?

- Always
- Usually
- Sometimes
- Seldom
- Never

10.2. In your opinion, if firm in your province **does not** pay "informal charges", how often is the service delivered as the firm expected?

- Always
- Usually
- Sometimes
- Seldom
- Never

11. If your firm has competed for a contract to supply goods and services to the government, please look at the following list of common activities firms engage in to make their goods or services more attractive to government clients.

- Dropped off pamphlets or fliers at government offices advertising your goods or services
- Opened your business or a branch of your business near government offices in order to be nearer to the decision-makers
- Attended government functions or meetings in order to meet officials and make them aware of your goods or services

Please do not answer about any one of these activities specifically, we are only interested in the TOTAL NUMBER you may have utilized to win government business. **How many** of the above activities did you engage in when competing for such a government contract?

NUMBER OF ACTIVITIES: 0 1 2 3

12. Given your experience, operating in Vietnam, do you believe that firms that refuse to pay commissions when bidding on government contracts are disadvantaged in the selection process?

- Always
- Usually
- Sometimes
- Seldom
- Never

F. INFRASTRUCTURE

Please provide us with your sense of the current level of infrastructure in the province where you do business

1. How do you rate the overall quality and efficiency of these services delivered by provincial public agencies? (Check ✓ only one box for each row)

Services	Very Poor	Poor	Slightly Poor	Slightly Good	Good	Very Good
1. Road quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Telephone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Electricity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Clean water	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Industrial zones and/or concentrations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Internet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Ports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Bridges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Airports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Railway	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Waste treatment facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Connectivity of road and port	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Connectivity of road and airport	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Connectivity of rail and road	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. When the road in front of your business requires maintenance, how long on average does it take before it is fixed?.....DAYS
 Roads still not fixed on my street Non-Applicable

3. In the last month, how many hours of power outage did you undergo?.....HOURS

4. According to your best estimate, for what percentage out of the total power outages was your firm informed in advance? %?

5. In the last month, how many hours was your telephone and other telecommunication services (e.g. fax and internet) out of service?HOURS

6. If you ship product, which port or airport do you use most regularly for shipping?(NAME OF PORT/AIRPORT)
 Non-Applicable

6.1. If yes, do you use customs brokers for processing custom procedures?
 YES NO ((please continue to question 6.2)

6.2. . If not using a custom broker, where do you normally engage in custom procedures?
 At the port custom office
 At the airport custom office
 In the custom agency's office in the province

7. On average how long does it take to clear customs for your exported goods DAYS
 Non-Applicable

8. If you import intermediate goods, on average how long does it take you to clear customs?..... DAYS
 Non-Applicable

9. Have you ever paid an informal charge to expedite service at the port?
 YES (Please answer question F10).
 NO (Please skip to question F11)
 Non-Applicable (Please skip to question G1)

10. If yes, during what procedure did you make the informal payment?
- Document processing
 - Customs inspection
 - Cargo loading
 - Cargo unloading
 - Cargo storage
11. If NO, do you believe your firm was injured due to delays or damaged good, while your imports or exports were being processed?
- YES
 - NO

G. LABOR QUALITY/RELATIONS

In this section, we would like you to reflect on the labor force in your province and your employees specifically. These questions will probe the type and quality of labor, as well as labor-business relations.

1. What proportion of your total workforce is?
- 1.1. Female?.....%
 - 1.2. Migrated from outside the province where your business is located?.....%
 - 1.3. Long-term workers hired with formal contracts?.....%
 - 1.4. Long-term workers hired without formal contracts? %
 - 1.5. Foreign (non-Vietnamese) workers%
2. How do you rate the overall quality and efficiency of these services delivered by provincial public agencies? (Check ✓ only one box for each row)

Services	Very Poor	Poor	Slightly Poor	Slightly Good	Good	Very Good
2.1. General education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2. Vocational training for labor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.3. Labor exchange or recruitment bureaus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.4. Labor dispute settlement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 2.1. Does the productivity of your current labor force meet your expectations..... %
- Not at all Only a little Partially Very much Completely
3. Please assess the skill level of your current workforce. What percentage of your employees ...?
- 3.1. are post-graduates..... %
 - 3.2. are college graduates%
 - 3.3. are high school graduates.....%
 - 3.4. are secondary school graduates..... %
4. What proportion of your total workforce graduated from any long-term or short course vocational training before employment?%
5. What is your company's labor cost/total input cost?%
6. Average salary for non-management workers
- Under 3 million VND (150 USD)
 - 3-5 million VND (150-250 USD)
 - 5-7 million VND (250-350 USD)
 - 7-10 million VND (350-500 USD)
 - Over 10 million VND (500 USD)

7. In the past year, what percentages of workforce were newly-hired?%
- 7.1. What percentage of these newly hired workers needed additional/further training? %
- 7.2. What percentage of business costs did your firm spend in labor training?%
- 7.3. On average, what percentages of workers trained by your company remain with the firm for longer than a year? %
- 7.4. How many years does a typical worker work for your company?
- Less than 1 year
 - 1-3 years
 - 3-5 years
 - More than 5 years

8. How do you rate the difficulty level in acquiring the work permit for your non-Vietnamese workers?
- Very difficult
 - Difficult
 - Slightly difficult
 - Slightly easy
 - Easy

8.1. How long did it take you to receive the work permit for your non-Vietnamese workers from the day you submit the application?
 DAYS

8.2. Did you feel obligated to pay more to have the application processed faster? YES NO

Now, we would like to switch gears a bit and ask you about a more pressing issue regarding work relations. As you know, labor strikes have become more common in Vietnam over the past few years. In this section of the survey, we are interested in learning about your opinions on these events and the best way to avoid them, or resolve them if they do take place.

9. In the past THREE years, has your firm experienced a labor strike or work stoppage?
- NO (*Skip to question G11*)
 - YES (*Please answer question G9.1-9.6*)
- 9.1. How many total strikes did your company experience last year?strikes.
- 9.2. Please estimate the total number of work days that were lost to the strikes? days
- 9.3. Please estimate the total amount of output that was lost due to closed factories (as a percentage of annual revenue).....%
- 9.4. What would you say is the primary motivation for the strikes?
- Salary
 - Benefits
 - Work Conditions
 - Management Relations
 - Other, please specify.....
- 9.5. In your opinion, were the workers' demands legitimate? YES NO
- 9.6. Did your company eventually meet the demands of the striking workers? YES NO
10. When the strike occurred how did local government respond? (*Check all that apply – labor public services*)
- Send in officers from local labor bureau to investigate the case
 - Call for labor-management dialogue to settle the strike
 - Mobilize a tripartite taskforce to mediate between the management and the strikers
 - Do nothing
 - Others (please specify.....)

11. To what extent do you agree with the following statements? (Please record your level of agreement in the table below.)

	Strongly agree	Agree	Disagree	Strongly disagree
1. Taking workers' opinions into account improves factory operations (e.g. improves efficiency, simplifies work procedures, improves product quality).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Workers are more efficient and loyal if they feel integrated into factory's decision-making process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Having independent worker representative bodies would minimize conflicts between workers and management.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Having worker representative bodies controlled by management would minimize conflicts between workers and management.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Effective grievance procedures are beneficial to workers, but costly and time-consuming for management..	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. In the past two years, how many inspection delegations (from MOLISA or DOLISA) have visited your business to inspect or monitor your company's compliance with labor rights requirements?.....DELEGATIONS.

H. TRANSPARENCY AND PARTICIPATION

In this section, we are interested in your firm's ability to acquire information in your province that will help inform strategic planning, as well as your firm's ability to participate in local decision-making.

1. Please rate your access to these provincial documents and information? (Please check ✓ to select one answer for each type of document)

Document	Very Easy	Easy	Possible	Possible, but difficult	Impossible
1. Provincial budgets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Provincial socio-economic development plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Central laws, ordinances, decrees, decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Plans for new infrastructure projects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Land use allocation plans and maps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Official Gazette (for legal documents)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1.b. Have you ever accessed the provincial budget information?

- Yes No

1.b.1. If yes, how do you rate the quality of information provided?

- Very Good
 Good
 Satisfactory
 Poor
 Very Poor

1.c. Please report the importance of accurate budget information to your business operations?

- Very Important
 Important
 Somewhat Important
 Not Important
 Not Important at all

2. Have you ever accessed the **website** of the provincial people's committee or line departments?
- Yes] *please go to question H2.1* No] *please go to question H3*
- 2.1. If Yes, which information do you search on these websites?
- Provincial investment incentives
- Regulations on administrative procedures
- Planning information such as Socio-economic development plans, land use planning, etc
- Guiding, governing documents by provincial leaders
- Provincial legal documents
- Other (please specify.....)
- 2.2. How necessary is improving the quality of information on provincial websites?
- Very necessary
- Necessary
- Somewhat unnecessary
- Unnecessary
3. How predictable are changes in laws at the central level which affect your business?
- Never
- Seldom
- Sometimes
- Usually
- Always
4. How predictable is the implementation of these rules, laws, and regulations at the provincial level?
- Never
- Seldom
- Sometimes
- Usually
- Always
5. Is your firm a member of chamber of commerce, business association, or business club?
- Yes. Please name the organization(s) No
- 5.1. Does your firm want to join a domestic business association? Yes. No
6. Which strategies have you employed when you believe a policy change may harm your business. Please check all that apply.
- a) Take no action.
- b) Move production to another country
- c) Plan coordinated action with other businesses through Chamber or Business Associations
- d) Appeal to embassy/consulate from my home country.
- e) Lobby Prime Minister's office to try to change policy.
- f) Lobby the National Assembly to try to change policy.
- g) Lobby the provincial government to try to change policy implementation
- h) Lobby provincial officials to obtain special exemption for my business.
- i) Lobby line ministry officials to obtain special exemption for my business.
- j) Other, please specify:

I. DISPUTE RESOLUTION

This section is interested in your perspective on dispute resolution in Vietnam, particularly the ability of the courts to enforce contracts and property rights.

1. Over the last TWO years, have you encountered any disputes with Vietnamese clients, providers, or partners?
 - YES (Please continue to question I2)
 - NO (Please skip to question I5)

2. If yes, did you appeal to a Vietnamese court for dispute resolution?
 - YES (Please skip to question I4)
 - NO (Please continue to question I3)
 - Considering whether to appeal to the court (Please skip to question I4)

3. If you did not appeal to the court, what were the reasons? (Check ✓ all that apply)
 - Other ways were more appropriate
 - It takes too long for the dispute to be resolved
 - Costly dispute resolution expenses
 - Offering bribes to solicit favorable judgment is common
 - Insufficient capacity of court officials
 - Do not trust court's impartiality

4. Outside of courts, what other means do you use to ensure the sanctity of contracts in your province? (Check ✓ all that apply)
 - International arbitration
 - Local arbitration
 - Appeal to local government officials
 - Appeal to home country embassy/consulate.
 - Write contracts with incentive structures and staged-implementation to encourage compliance
 - Only do business with close friends and family
 - Other, please specify

J. RISK MITIGATION

1. Overseas investments always entails some risk on the part of investors, but these risks vary across different countries. Would you say the investment climate in Vietnam is more or less risky than other countries in which you have invested or considered investing?
 - Less Risky
 - About the Same
 - More Risky

2. What are the primary risks that you face in Vietnam? Please rank order in terms of importance to your firm.
 - a) Macroeconomic risk (changes in price stability and growth that affect business prospects).
 - b) Expropriation risk (the loss of business premises, property, or equipment to host government).
 - c) Contract risk (breach of contract by business partners, such as suppliers or customers).
 - d) Regulatory risk (changes in regulatory or tax policies that reduce profitability).
 - e) Labor risk (strikes, outbreaks of illness, or other events that lead to work stoppage).
 - f) Corruption (demands for informal charges, kickbacks, or other illicit decisions that reduce profitability).
 - g) Political instability (changes in regime or outbreaks of violence that impact operations).

Rank-Ordering	Risk Type
1	
2	
3	

K. ATTITUDE

This section offers an opportunity for you to reflect on the attitude of local officials toward companies like yours.

1. If there are unclear points in a particular central regulation, provincial People's Committee and provincial departments tend to: (Please check only one)
 - They formally resolve the issue through provincial legislation.
 - They resolve the issue informally on behalf of the affected firms.
 - They postpone implementation and seek the advice of central authorities about how to move forward.
 - They don't do anything and wait for central institutions to resolve the issue

 2. Do you agree with the following statement "The provincial authorities favor state owned enterprises in government contracting".
 - Strongly agree
 - Agree
 - Disagree
 - Strongly disagree

 3. Are you currently considering expanding or changing your business' location in Vietnam?
 - Yes No
- 3.1. If your firm were planning to expand your business to another province or city, which province or city would you choose? (please name only one province or city).....
 - 3.2. State the reasons why you choose this province:
 - Business Opportunities
 - Market size
 - Labor quality
 - Labor costs
 - Infrastructure
 - Good governance (i.e. PCI rankings)
 - Other, please specify

L. TRANS-PACIFIC STRATEGIC ECONOMIC PARTNERSHIP AGREEMENT (TPP)

Introduction: The Trans-Pacific Strategic Economic Partnership Agreement (TPP) is a free trade agreement currently being negotiated by 12 countries in the Pacific area, including Vietnam, Brunei, Singapore, Malaysia, Chile, Australia, New Zealand, Peru, Mexico, Canada, the United States, and Japan. To date, TPP negotiations have come to final stage. If successful, TPP will be the largest free trade area in the world with a market of almost 800 million people, representing 1/3 global trade. However, there remain many controversies over benefits of TPP to domestic businesses.

1. Do you know of Vietnam's participation in TPP negotiations? (check ✓ only one option)
 - No, this is the first time I've heard of this
 - Yes, but I don't know much about this
 - Yes, I've read some information about this
 - Yes, I've read a lot of information about this

2. How does your firm feel about Vietnam's signing of the Trans-Pacific Partnership Agreement (check ✓ only one option)
 - I strongly oppose
 - I am indifferent
 - I support it, but have some concerns
 - I strongly support
 - NA. It will not affect my business

3. Have you ever provided your comments on TPP to relevant authorities?
 - Yes No

3.1 If yes, which agency did you provided the comments to? (Check ✓ all that apply)

- Government's negotiating agency
- Ministries and line agencies related to your lines of business
- Other State agencies (National Assembly, Government, Party's agencies, etc.)
- Business associations, VCCI
- My home government

4. Please assess how the TPP's following contents influence your business operation? (check ✓ only one box for each row)

Content	Positively	Negatively	Both positively and negatively	No influence	No comments
1. Market access <i>(TPP signatory countries will remove 90-100% of import taxes for Vietnam's products and vice versa, and Vietnam will remove import taxes for most of products from other TPP countries)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Rules of origin <i>(For tax privileges, each product must satisfy specific rules of origin according to TPP regulations, with high quality requirements applied to TPP signatory countries)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Technical Barriers to Trade (TBT) & Sanitary and Phytosanitary Measures (SPS) <i>(TPP signatory countries preserve their autonomy in issuing TBT&SPS regulations but must ensure logic, transparency, cooperation, and quick resolution of complaints, if any)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Trade remedies (anti-dumping and anti-subsidy) <i>(TPP signatory countries preserve their rights to conduct investigations and apply trade remedy measures, but must enhance transparency and cooperation in quick resolution of complaints, if any)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Access to service market <i>(TPP signatory countries will ease conditions and allow service providers from other TPP ones to have more access to their domestic markets)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Investment <i>(Foreign investors from other TPP countries will be treated equally to domestic ones)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Intellectual property <i>(Intellectual property rights will be reinforced – products with copyrights/patents will be better protected and stricter punishments for violations will be applied)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Government procurement <i>(State agencies' procurement process of goods and services must ensure more publicity and transparency, allowing bidders from other TPP countries to compete in fairer tenders)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Environment <i>(Businesses must satisfy higher environmental protections requirements during their business operations)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Labor <i>(Businesses must satisfy higher labor rights and safety requirements during their business operations)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. State-owned enterprises (SOEs) <i>(SOEs will have to compete with private enterprises based on principles of equality and fairness)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Does your firm presently do business with the following partners? If yes, in the case that Vietnam becomes a TPP country, how will your business opportunities with such partners be affected?

My partners	No	Yes				
		Positive	Both positive and negative	Negative	No influence	Not sure
1. U.S. partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Chinese partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Partners from other Southeast Asian countries (e.g. Singapore, Thailand, Indonesia)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Partners from East Asian and Pacific countries (e.g. Korea, Taiwan, Japan, Australia)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Partners from European countries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Partners from Latin American countries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

L. OTHER ISSUES (OPTIONAL)

Are there any other issues you would like to raise related to the provincial investment environment?

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THANK YOU FOR YOUR COOPERATION

