



Governance for Sustainable Growth



Workshop participants provide feedback on the implementation of a Vietnamese government resolution to improve the business environment and enhance national competitiveness. Photo: USAID/GIG

Vietnam has had considerable success with growth in recent years. However, problems with governance and competitiveness represent major challenges to Vietnam's development and capacity to further integrate internationally. USAID supports Vietnam's continued transformation into a responsible, more inclusive partner through initiatives that enhance governance for broader-based, sustainable growth. Working directly with the Government of Vietnam (GVN) and other stakeholders, including the private sector, USAID supports Vietnam's transition to a rule-based, more climate-friendly market economy and its integration into international markets. This includes support for more accountable, transparent and participatory policy and public administration processes, and assistance to catalyze more inclusive economic opportunities, particularly for underrepresented and disadvantaged populations, as well as to advance female empowerment. Several components of a new ensemble of assistance to achieve these objectives are already in place:

ENHANCING INCLUSIVE GOVERNANCE

Driven by USAID's [Country Development Cooperation Strategy](#) for Vietnam 2014-2018, the Governance for Inclusive Growth program works with the public and private sector actors to enhance the areas of governance that facilitate broader-based growth, with an emphasis on improving the regulatory environment, building systems for accountability and increasing social and economic inclusion. The program aims to play a catalytic role in building capacity to improve policymaking through increased access to information for evidence-based decision making, greater citizen participation, increased transparency and more effective oversight mechanisms. [Trans-Pacific Partnership](#) trade-related assistance is a major focus of the program, given the many opportunities for reform that can be expected to be driven by this high standard trade agreement that 12 countries recently finished negotiating .

CREATING AN ENABLING BUSINESS ENVIRONMENT

Now in its eleventh year, the Provincial Competitiveness Index (PCI) is a nationally and internationally recognized index ranking for measuring, assessing and providing a unique private sector perspective on how to improve economic governance across Vietnam's 63 provinces. This robust national annual survey of domestic and foreign invested companies provides policy-makers with reliable indicators and recommendations on how to improve local regulatory and institutional quality in support of private sector development. Each year, numerous diagnostic workshops at the provincial level provide a unique space for public-private dialogue. In 2013, the project supported the development and launch of a mobile app to promote wide access to the PCI rankings, report and related data.

KEY PROJECTS

Governance for Inclusive Growth Program

Duration: Dec. 2013 – Dec. 2018
Planned Budget: \$42,166,743

Provincial Competitiveness Index

Duration: July 2013 – July 2016
Planned Budget: \$1,500,000

November 2015