

TERMS OF REFERENCE

Providing consulting service to develop the Vietnam Business Integrity Index and Guideline
for

The Office for Business Sustainable Development – SDforB, VCCI

The background

Vietnam has been stepping up its commitment and efforts to fight corruption. In addition to cracking down on major corruption cases, the Party and State have gradually improved the legal framework on anti-corruption. Vietnam passed a new Anti-Corruption Law in November 2018. This law has expanded its scope to include the private sector. Notably, in order to deal with the situation of "petty corruption", on September 24, 2019, the Prime Minister issued Directive 10/CT-TTg on strengthening anti-corruption and prevention the situation of harassment and causing trouble for citizens and enterprises in doing business.

In addition, the requirement of transparency in corporate governance is also an important issue in the operation of Vietnamese enterprises, especially for listed enterprises, public joint stock enterprises, and State-owned enterprises. These businesses are subject to stricter requirements for information transparency, including financial and non-financial information. However, transparency in information disclosure of these enterprises is still a major limitation. Participating in the assessment according to the ASEAN Corporate Governance Scorecard since 2011, the scoring results of listed companies on the Vietnam stock market over the years still show that the quality of governance application is still low and has not yet met the standards that ASEAN aims for. In the period 2017 - 2018, the average governance score in Vietnam reached 41.3 points, a significant increase from the starting level 28.42 points in 2012. However, it was low if compared with the average score of the whole ASEAN region which is 71.01 points. Minority shareholders and the public often lack information to monitor the activities of these enterprises, leading to a large gap in the quality of governance in the country and in the region.

Transparency of information, policies and implementation of corporate policies on integrity have a direct impact on the level of businesses integrity. In fact, businesses are increasingly realizing the value and benefits of information transparency and business integrity. The practices of many businesses have shown that the business who is putting integrity and business ethics first has received the attention and appreciation of stakeholders such as investors, suppliers, buyers or customers, especially in the process of global integration, entering international markets and participating in global supply chains.

The Office for Business Sustainable Development, at Departmental Level under Vietnam Chamber of Commerce and Industry, operating as per dependent account regime is now implementing "Government-Business Integrity Initiative – GBII" funded by the UK Government, ASEAN Economic Reform Program through the Regional Project on "Promoting a Fair Business Environment in ASEAN" of the United Nations Development Program (UNDP). It aims to improve corporate governance and sustainable development in Vietnam.

For the above reasons, SDforB is developing the Vietnam Business Integrity Index – VBI included its index (phase 1) as a helpful tool for business community in Vietnam to evaluate how business conduct ethical/integrity business, transparency and information disclosure as well as to evaluate the performance of business operation.

Therefore, we are recruiting a local consulting firm or two national experts (the national experts) to work closely with our hired international consultant who will be seen as a lead expert to develop Vietnam BI Index and Guidelines for using the Index.

Scope of Work

To work under the guidance of the Lead Expert (the international consultant), SDforB to complete the project within the agreed time frame and quality. The activities for this project will include 37 days to:

- Conduct literature research on existing indexes and extract relevant information in Viet Nam's practices, international practices and ideas and draft a summary report to submit to the Lead Expert and copy SDforB; (3 days)
- Support the Lead Expert to develop framework of the index and guideline as well as draft the first version of the index; actively and closely work with the Lead Expert under his guidance and/or consult SDforB and UNDP in this regards to make sure the draft Index is suitable and applicable to the Viet Nam's context (15 days)
- Developing meeting agenda and presentation, identify target experts to be invited to the meetings and follow up to confirm their participation. Conduct and moderate 2 online half-day technical consultation meetings on the index organizing by SDforB with key confirmed experts to collect their inputs/comments on the index and write meeting report (3 days)
- Work closely with the Lead Expert in revising and finalizing the Index after each meeting included producing second version and third version of the Index; (4 days)
- Support the Lead Expert to Develop first draft guideline of the Viet Nam Business Integrity Index – VBI; (4 days)
- Developing meeting agenda and presentation, identify target experts to be invited to the meetings and follow up to confirm their participation. Conduct and moderate 2 online half-day technical consultation meetings which organizing by SDforB with key confirmed experts to collect their inputs/comments on the guideline and write meeting report; (3 days)
- Revise and finalize the guideline after each meeting included second version and third version of the Guideline; (5 days)

Final deliverables

- 01 summary report to describe, analyse the best existing best practices which is good for Vietnam;
- 01 draft outline/framework of index and guideline
- Development and finalization of 1st draft, 2nd draft and 3rd draft of index, guideline that suitable and applicable to the Viet Nam's context.
- 03 brief reports of 3 technical consultation meetings organizing by SDforB, slide presentations; list of identified guess/target experts to be invited to the meetings.

Degree of expertise and qualifications for national experts:

- Possibly being a consulting company with minimum 8 year establishment and/or a freelance experts. Holding Master's degree of Law, Business Administration and other related area and above
- Have provided consulting services to VCCI and UN agencies (priority)
- Proven 2 researches on anti-corruption area and/or sustainable development area.
- Knowledge of corporate governance and corruption challenges in Vietnam, especially for business and SMEs
- Good understanding of corporate disclosure on public information and its regulations.
- Knowledge of the legal system and enforcement
- Analytical skills, experience in developing relevant tools, manuals, and report writing
- Fluency in English (written and spoken)
- Analytical skills, experience in doing research, and report writing
- Good communication skills

Duration of the Project

Approximately 2 months from October to November.

Total value of consulting service: 4,461,696 đồng/day x 37 days = 168,082 752 đồng (included 10% VAT and/or personal income tax.

How to apply

Interested consulting company/group of experts (included at least 2 experts) are invited to submit their proposals to xuandtb@vcci.com.vn before 20 October 2021, using the subject line “Application for Development of VBI”. The proposal should include:

- Technical proposal:
 - Tender profile and relevant project’s datasheets
 - Understandings of the service
 - Detailed methodology and approach to the service
 - Curriculum Vitae (CVs) of all team
 - Workplan and staffing plan

Note: All applications will be carefully considered, but only successful applications will be contacted for further discussion.