



TERMS OF REFERENCE (TOR)

A call for proposal to provide consulting services by any interested Vietnamese consulting firms

I. BACKGROUND

Corruption is a key obstacle to progress, prosperity, and sustainability of the economic development. It undermines the rule of law and impacts economic and social development, disproportionately hurting the most vulnerable groups.

In Vietnam, according to the results of Provincial Competitiveness Index (PCI) Survey conducted by the Vietnam Chamber of Commerce and Industry, in 2020, 5.4% of enterprises had to pay more than 10% of their revenue for informal cost (this rate was 9.1% in 2016, 9.8% in 2017, and 7.1 percent in 2018). 51.1% of enterprises report the existence of the phenomenon of corruption when carrying out administrative procedures, slightly lower than rate of 58.2% in 2018 according to VCCI's PCI survey in 2020.

Under the impact of the COVID-19 pandemic, the level of businesses integrity globally can be greatly affected because integrity is influenced mainly by three factors: customers (including suppliers and consumers), workers and government regulations. COVID-19 pandemic has disrupted supply chains; therefore, managers can sacrifice business integrity for good financial reports, or lay off employees to cut costs...These things can significant have impacts on business integrity according to the E&Y Report¹.

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, 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. 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's 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

¹ Global Integrity Report 2020 of E&Y (2020)

markets and participating in global supply chains. For the above reasons, the tool like Vietnam Business Integrity Index is very helpful 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.

The Office for Business Sustainable Development (SDforB) is an independent departmental level operating as per independent account regime under the Vietnam Chamber of Commerce and Industry (VCCI) - a non-governmental organization representing the Vietnamese business community in Vietnam and abroad. SDforB established in 2006 serving as an umbrella organization to assist the Vietnam business community in implementing responsible business conduct regarding sustainable development. Recently, SDforB has been successfully implemented many initiatives/programs such as (i) Government-Business Integrity Initiative - GBII (2018 to present with technical and financial support of UNDP); (ii) Helping SMEs to resist corruption in Vietnam (2016 to early 2018 funded by UK Government under management of British Embassy in Hanoi); (iii) Enhancing integrity initiative in Business - Project 12 (2015 -2019 with fund from Vietnamese State Budget); (iv) Integrity and Transparency in Business Initiative for Vietnam - ITBI (2009 -2012), (v) Global Compact Network Viet Nam - GCNV (2009 to present); (vi) Promotion of Children's Rights and Business Principles (CRBP) among Enterprises in Vietnam (2019 -2021 funded by UNICEF), (vii) Responsible Business Conduct in Vietnam (2019 -2021, funded by DEFAT), (viii) Vietnam Business Council for Sustainable Development - VBCSD (2010 to the present) and some others.

With such great efforts made by SDforB above, it's said to be the right time for SDforB to come up with a more collective efforts to promote business integrity in Viet Nam. It actively mobilizes business community to join the Vietnam Business Integrity Network – VBIN toward a fair business environment in Vietnam, which is a practical initiative which attracted great attention and joined commitments from business community. The VBIN advisory group was officially launched with 21 representatives of organizations and individual experts.

Therefore, substantially reducing corruption and bribery in all their forms will become crucial as we strive to enhance business integrity to better contribute to promote peaceful and inclusive societies for sustainable development.

In that context, with support of Promoting a Fair Business Environment in ASEAN (FairBiz), the Office for Business Sustainable Development (SDforB-VCCI) invite interested Vietnamese consulting firm to submit proposal to conduct the following tasks included:

1. Task 1: Conduct a pilot external assessment by using VBII
2. Task 2: Formulate final Vietnam Business Integrity Index - VBII and relating tools (including guideline and questionnaire).
3. Task 3: In collaboration with a Vietnamese contracted software company/consulting company to develop and digitalize VBI Index, guideline, and questionnaire on kdcl.vn website
4. Task 4: Participation in a hybrid launching workshop to widely introduce the VBII in conducted.
5. Task 5: Deliver two virtual trainings to guide local businesses on how to use VBII are conducted.

III. TASKS AND SCOPE OF WORK THE CONSULTING FIRM AND DELIVERABLES AND TIMEFRAME

Under these assignments, the consulting will have to implement the following tasks and submit the following deliverables:

1. Task 1: Conduct a pilot external assessment by using VBII

1.1. Specific objectives

- To complete a pilot external assessment using VBII of the perception on business integrity of at least 10 selected companies, by survey of clients/customers, suppliers, and partners or by a jury board of external assessors

(independent experts, business associations, regulators, company's partners, client), depending on the proposed methodology and completed methods for VBII by the consulting firm and after being approved by the Promoting a Fair Business Environment in ASEAN (FairBiz), the Office for Business Sustainable Development (SDforB-VCCI).

- To collect and analyze the data through the survey and provide recommendations on any gaps of the current VBII and submit proposal for improvement of the VBII.

1.2. Scope of work

- Adjust the set of business integrity indicators/sub-indicators of the current VBII to be suitable for a pilot external assessment. The adjusted set of indicators can be used to score and rank businesses integrity level by external assessors.
- Develop the concept note and methodology for collecting data by a pilot external assessment using the adjusted indicators/sub-indicators. The methodology should be convenient and suitable for online application. Get experts opinions and revise/finalize the concept note and methodology.
- Develop the questionnaires and tools for collecting data using VBII/indicators. The questionnaires and tools should be convenient and suitable for online application. Get experts opinions and revise/finalize the questionnaires/tools.
- Develop criteria and identify the list of at least 10 companies for the purpose of pilot assessment using the VBII/indicators.
- Conduct a pilot external assessment through survey questionnaires (online survey) of at least 220 individuals who are independent experts, business associations, company's partners, clients/customers of at least 10 identified companies.
- Data processing and analysis
- Draft a succinct report on the pilot VBII in Vietnamese and English and present the draft report at an online technical consultation meeting with at least 5 experts to gather further comments/inputs
- Finalize the report (in both Vietnamese and English)
- Designing layout of reports (in both Vietnamese and English).

Deliverables and timeframe:

- 01 set of report written in Vietnamese and English which will be formatted/designed according to the rules and uploaded on the project website (www.kdlc.vn) and UNDP website. The report should include (1) analysis of the collected data from at least 220 questionnaires, (2) identification of gaps of the current VBII and indicators, and (3) proposal for improvement.
- The consulting firm will have to complete the tasks described herein and submit the deliverables for this activity by **15 March 2022**.

2. Task 2: Formulate final Vietnam Business Integrity Index - VBII and relating tools (including guideline and questionnaire)

2.1. Objective

To formulate final VBII, questionnaire and guideline for self-assessment and external assessment

2.2. Scope of work

- Finalize the Index in Vietnamese and English.
- Continuously finalize guideline on how to use the index in Vietnamese and English.
- Develop draft checklist and finalize the checklist in Vietnamese and English.
- Conduct and moderate an online half-day technical consultation meeting with key experts to collect inputs/comments and report writing in English

- Deliver presentation on introduction of index, guidance, and checklist at a launching workshop (included slide preparation, facilitation and report writing)
- Lastly update/finalize the Index, guidance and checklist if any
- Formatting and design layout of the Index in Vietnamese and English (included guidance and checklist) writing report).

2.3. Deliverables and timeframe

- 01 set of the final version of VBI Index, including indicators and sub-indicators, guideline on how to use the VBII, including methodologies and survey questionnaires for company self-assessment and external assessment, and checklist in both of Vietnamese and English. They are required to be formatted according to the rule and uploaded on the UNDP website and the project website (www.kdlc.vn).
- The consultant will have to complete the tasks, responsibilities and submit the deliverables under this task before **25 March 2022**.

3. Task 3: In collaboration with a Vietnamese contracted software company/consulting company to develop and digitalize VBI Index, guideline, and questionnaire on kdlc.vn website

3.1. Objective:

In collaboration with a Vietnamese contracted software company/consulting company to develop and digitalize VBI Index, guideline, and questionnaire on kdlc.vn website

3.2. Scope of work:

To work with a consulting firm/software company to a design idea and structure of interface/landing page, draw up content in both of Vietnamese and English, upload and ensure technical management to avoid technical errors.

Provide methodology, guideline and requirements for the software company to in development of online questionnaire, data collection forms, database structure, computation of score and ranking of enterprise, potential value-added services of VBII, presentation of results on the website, other contents on VBII e.g. introduction about VBII, methodology of VBII, VBII news.

Guide the software company in integrating the digitalized VBII contents and instruments by way of inline frame (iframe) into the website www.kdlc.vn

3.3. Deliverables and implementation time

A report to describe ideas and requirements to design interface/landing page and its structure, and to describe how VBII can run in practice. The software will be developed by a software company to be recruited by SDforB. Key requirements about the software that should be reflected in the report:

- The software will be developed to digitalize VBII, guideline and questionnaire and run VBII, guideline and checklist to be integrated by inline frame (iframe) method in the the website of kdlc.vn/VCCI to collect data on companies.
- The software should be designed for online access and online assessment, and can collect data for VBII report for SDforB.
- The software is to support the inputting of data from questionnaires, computation, generation of final scoring by using the methodologies and formulas described in the guideline.

- For the online platform, assessors who wish to conduct the software can open an account and conduct the assessment online. The online platform should be design in a way that can offer value-added services and paid-services and income generating activity for Vietnam Business Integrity Network.

The consultant will have to complete the tasks, responsibilities and submit the deliverables under this task **by 28 Feb 2022.**

4. Task 4: Participation in a hybrid launching workshop to widely introduce the Vietnam Business Integrity Index

4.1. Objective

To present and to widely introduce final Vietnam Business Integrity Index – VBII and digitalized VBII at a hybrid launching workshop is conducted by SDforB in collaboration with UNDP.

4.2. Scope of work

The consulting firm who is contracted to deliver task 1, task 2, task 3 is continuously asked to deliver task 4. This is the responsibility of the consulting firm to do without paying any additional consulting fee. However, a modest honorarium could be considered to provide to a key expert of the consulting firm by a separated service contract because he/she joins the workshop as a speaker.

The consulting firm will take responsibility for developing, delivering presentation on VBII and submitting SDforB a meeting report in English within 3 days once the event completed.

4.3. Deliverable and implementation time

A hybrid workshop will be organized by SDforB in collaboration with UNDP **in March**. Event date will be identified later. A narrative report of the event written by a representative of the consulting firm and it's submitted within 3 days once the event completed.

5. Tasks 5: Deliver two virtual one day trainings to guide local businesses on how to use VBII

4.1. Objective

Local businesses are trained and guided on how to use VBII

4.2. Scope of work

The consulting firm will be required to mainly deliver two online trainings conducted by SDforB which will include

- Consulting company must send SDforB and UNDP a brief proposal sent via email to describe interactive training methodology, tentative agenda (pre-test and post-test might be required to develop if it deems necessary and vice versa) for further comments/inputs before trainings around a month before.
- Prepare presentation to submit SDforB and UNDP for comments if any.
- Deliver trainings
- Write a training report to be circulated to SDforB, UNDP within around 3 working days after trainings.

4.3. Deliverables

- Two virtual trainings to be delivered in early March 2022.
- Presentation slide, and pre-test and post-test if any
- A narrative report and event photos on the training courses will be submitted to SDforb within 3 days after the events.

III. OVERALL QUALIFICATION OF THE CONSULTING FIRMS AND TEAM MEMBERS

Interested Vietnamese consultancy firms, universities, NGOs shall form a team that consist of one senior technical expert – team leader and technical expert-team members.

Required qualification for the senior technical expert – team leader:

- Holds PhD's degree of Law, Business Administration/ economics or relevant area of business ethics and a minimum of over 12 years of relevant professional experience.
- Proven experience in providing consulting services to SDforB/VCCI.
- Proven experience in providing similar consulting services to UN agencies and international agencies.
- Proven good understanding of the Vietnam Business Integrity Network – VBIN.
- Proven experience in developing and implementing indexes in which companies and enterprises are target groups.
- Proven experience in online survey and development of online index in which business, companies are main target groups.
- Proven networking ability to mobilized experts and businesses for the purpose of the VBII.
- Good understanding about Vietnam business context, business integrity, CSR and 17 SDGs.
- Analytical skills, experience in conducting surveys, doing research, and report writing.
- Fluency and proven oral and written skills in English.
- Excellent and proven communication skills with a variety of stakeholders.
- Ability to engage in dialogue with counterparts (businesses, government agencies, development agencies, etc.) on technical issues.

Required qualification for the technical expert-team members:

- At least master's degree of Law, Business Administration/ economics or relevant area of business ethics and a minimum of over 5 years of relevant professional experience
- Proven experience in developing and implementing indexes in which companies and enterprises are target groups.
- Proven experience in online survey and development of online index in which business, companies are main target groups.
- Good understanding about Vietnam business context, business integrity, CSR and 17 SDGs.
- Analytical skills, experience in conducting surveys, doing research, and report writing.
- Fluency and proven oral and written skills in English.

IV. CRITERIA FOR SELECTING THE BEST OFFER

Upon the call for proposal, qualified consulting firms are expected to submit both the Technical and Financial Proposals.

Criteria:

STT	Tiêu chí	Điểm đánh giá
1	○ Good understanding of TOR	5
2	○ Proven experience in providing consulting services to SDforB/VCCI. ○ Proven experience in providing similar consulting services to UN agencies and international agencies.	10

3	<ul style="list-style-type: none"> ○ Proven good understanding of the Vietnam Business Integrity Network – VBIN. ○ Proven experience in developing and implementing indexes in which companies and enterprises are target groups. 	30
4	<ul style="list-style-type: none"> ○ Team leader holds PhD's degree of Law, Business Administration/ economics or relevant area of business ethics and a minimum of over 12 years of relevant professional experience. ○ Team members at least hold master's degree of Law, Business Administration/ economics or relevant area of business ethics and a minimum of over 5 years of relevant professional experience 	25
5	<ul style="list-style-type: none"> ○ Good understanding about Vietnam business context, business integrity, CSR and 17 SDGs. ○ Analytical skills, experience in conducting surveys, doing research, and report writing. 	20
6	<ul style="list-style-type: none"> ○ Good understanding about Vietnam business context, business integrity, CSR and 17 SDGs. ○ Analytical skills, experience in conducting surveys, doing research, and report writing. ○ Fluency and proven oral and written skills in English. 	10
	Tổng	100

Note:

- A good proposal will include i) a letter to join the call for proposal, a full technical proposal with budget plan and CVs of expert team.
- The qualified consulting firm shall receive service fees for each task by a separated service contract. Method of payment will be negotiated with successful consulting firm but the last payment will not before 30 March 2022.

V. DEADLINE TO SUBMIT REQUIRED PROPOSAL:

The proposal is encouraged to submit as soon as possible and not later than **17 pm 12 February 2022** via email xuandtb@vcci.com.vn. The proposal can be made in Vietnamese and/or English.

This TOR is approved by
 Nguyen Quang Vinh
 Director General, SDforB
 Dated 24th January 2022