



USAID
FROM THE AMERICAN PEOPLE

VIETNAM

CASE STUDY

Making the Law Clear for Everyone

Amended regulations improve transparency and give a boost to business



Photo: STAR

USAID helped organize a workshop to discuss how to improve legislative transparency in Vietnam.

Effective governance demands that citizens and businesses be able to easily access laws and regulations that are in force and comment on drafts that are in development.

Challenge

Effective governance demands that citizens and businesses be able to easily access laws and regulations that are in force and comment on drafts that are in development; indeed, the U.S.-Vietnam Bilateral Trade Agreement and World Trade

Organization require that regulations be published in an official journal before they take effect. But until 2002, Vietnam allowed almost laws and regulations to take effect without being published. In addition, the public could not comment on drafts, resulting in laws that were sometimes impractical and not adapted to the realities of business operations in Vietnam.

Initiative

To help increase legal transparency in Vietnam, USAID has provided detailed comments on draft legislation, supported research and conducted workshops to discuss drafts and consider public comment. In 2002, the National Assembly passed major amendments to the “Law on Laws.” Reflecting USAID’s strongest recommendation, one key amendment required that all regulations be published for 15 days in the *Official Gazette* before coming into effect. In 2004, the National Assembly approved a new “Law on Local Laws,” which for the first time laid out clear requirements for publishing local regulations. USAID has also helped the Vietnamese Chamber of Commerce and Industry develop an online forum for posting draft laws and regulations for public comment (www.vibonline.com.vn).

Results

The benefits from these changes are significant and increasingly apparent. The number of laws and regulations published in Vietnam’s *Official Gazette* each year increased from just 4,200 in 2002 to 14,304 in 2003 and 16,510 in just the first nine months of 2004. Moreover, many more draft laws and regulations are now posted for public comment. Now that the legal system has become more transparent, businesses have access to better information, and governance in general has improved.