REPORT

A Baseline Research

for "Win-Win for Vietnam" Project

MSD

Hanoi, June 2021

This baseline report has been prepared for the Project: "Win-Win For Vietnam – A Cooperation Mechanism Between Business Sector and Civil Society Organisations for Corporate Social Responsibility and Sustainable Development Goals (in short, the "Win-win for Vietnam" project) with the financial assistance of the Delegation of the European Union to Vietnam. The content of this material is the sole responsibility of the Institute for Research on Development Communication (RED) and Pro NGO! e.V.. It can in no way be taken to reflect the views of the European Union.

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ABBREVIATIONS

CSR	Corporate Social Responsibility
CSV	Creating Shared Value
CSOs	Civil Society Organisations
ESG	Environment, Social and Governance
FMCGs	Fast-Moving Consumer Goods
GRI	Global Reporting Initiatives
MSD	Management and Sustainable Development Institute
ROI	Return on Investment
RED	Institute for Research on Development Communication
Pro NGO!	Pro NGO! e.V.
SDGs	Sustainable Development Goals
SDG 1	No Poverty
SDG 2	Zero Hunger
SDG 3	Good Health and Well-being
SDG 4	Quality Education
SDG 5	Gender Equality
SDG 6	Clean Water and Sanitation
SDG 7	Affordable and clean energy
SDG 8	Decent Work and Economic Growth
SDG 9	Industry, Innovation, and Infrastructure
SDG 10	Reduced Inequalities
SDG 11	Sustainable Cities and Communities
SDG 12	Responsible Consumption and Production
SDG 13	Climate Change
SDG 14	Life below Water
SDG 15	Life on Land
SDG 16	Peace and Justice, Strong Institutions
SDG 17	Partnership for the Goals

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EXECUTIVE SUMMARY

Management and Sustainable Development Institute (MSD) conducted the baseline research for the *"Win-win for Vietnam"* project, implemented by **Institute for Research on Development Communication (RED Communication)** and **Pro NGO! e.V**. The project is co-funded by the Delegation of the European Union to Vietnam. The baseline study was carried out from February to May 2021 with the valid participation of 108 companies, 65 CSOs, and some experts in CSR/CSVs and SDGs.

KEY FINDINGS

1. **64%** of business respondents perceived themselves to have a good understanding of CSR/CSV with the actual practice of CSR/CSV projects; 61% of the businesses perceived themselves to have clear ideas about SDGs and implemented SDGs-related initiatives. 60% of CSO respondents perceived themselves with a high level of awareness about SDGs. 40% of enterprises and 30% of CSOs perceived themselves to have a high level of awareness about the Nation Action Plan for SDGs toward Agenda 2030.

2. Both businesses and CSOs considered **SDG8 (Decent works and economic growth), SDGs 3 (Good health and well-being), SDG 4 (Quality education), SDG 13 (Climate action), and SDG 17 (Partnership for the Goals) as their current priorities;** however, CSOs also focused on SDGs 1 (No poverty), SDG 5 (Gender equality), SDG 10 (Reduced inequalities), SDG 11 (Sustainable cities and communities). Likewise with the SDG focus envisioned in the next five years, priorities to SDG 3, SDG 4, SDG 8, and SDG13 were perceived as priorities by most businesses and CSOs, yet CSOs also added SDG 5, and SDG 10 as their focus while business considered more to environmental goals of SDG 6 (Clean water and sanitation) and Goal 7 (Affordable and clean energy).

3. **84%** of surveyed companies believe that each region in Vietnam has specific social issues to be addressed. Though the top three urgent needs throughout the country include Disaster Relief, Infrastructure, and Clean Water and Sanitation, the order of prioritisations is different by region.

   The prioritised provinces to implement their CSR/CSV programmes of business are rural or mountainous areas – almost in the list of poor provinces in the 30A Programme of the Government of Vietnam. The more focused areas are Tay Nguyen, Mekong Delta, Northern island, and Norther Centre of Vietnam.

4. From the business's perspective, nearly 90% of business respondents considered **brand values** as the strongest driving force for their CSR/CSV projects toward SDGs, however, some external driving forces including demands from clients and suppliers have become increasingly important. The most significant values that CSR/CSV practices contribute to the business include **(1) Increase the connection with the community and social organisations; (2) Increase the brand value, and (3) Improve loyalty and employee's satisfaction.**

5. There has been a shift from CSR engagement and management to SDGs engagement. Every 7 in 10 companies have mainstreamed sustainability and social and environmental impacts into the business development strategy. In addition, the **CSR/CSV is becoming more professional and of responsibilities of the high-level leadership of the business**. In this sense, it would be better-managed and more associated with the whole corporate strategy for more responsible operation. However, the surveyed companies found difficulties in evaluating the value and social impacts of

their CSR/CSV work and many have not been ready for doing the Sustainability or ESG (environment, social and corporate governance) reports.

6. **72%** of surveyed companies had the budget for CSR/CSV activities or were willing to **allocate the budget** and intend to prepare a budget for CSR/CSV activities. Companies with the understanding of CSR/CSV have the possibility to have an available budget 5.25 times higher in comparison with companies without a clear understanding of CSR/CSV. In the plan for the period **2021 – 2025**, **more than 50% of companies have increased their CSR/CSV budget** and a majority of surveyed companies respond that COVID 19 turmoil has no effects or even triggers an increase in the CSR/CSV activities.

7. A majority of surveyed **companies acknowledged the role of CSOs in achieving SDGs besides government and private sector** and similarly, almost all CSO respondents highly appreciated the critical role of the business in addressing SDGs-related issues. **84%** of surveyed companies had the intention and willingness to cooperate with civil society organisations (CSOs) in CSR/CSV activities, in which half of them have had a certain level of experience working with CSOs. **97% of CSOs expressed their strong willingness for and interest in partnership with business** in realising SDGs. SDG 4, SDG 3, SDG 1, SDG 8, SDG 5, SDG 13 were prioritized by most of CSOs in seeking partnership with businesses while the top 5 SDGs, prioritised by businesses in seeking partnership with CSO, include, SDG 4, SDG 3, SDG 14 (Life below water), SDG 8, SDG 6.

   More than half of both business (55%) and CSOs (65%) respondents expressed their interest in joining "Win-win for Vietnam" project in the period of 2021 – 2024.

8. From both the perspective of CSOs and businesses, the **advantages have much outweighed the challenges** among most of the factors related to the SDGs-related activities implementation. *Main advantages* are enhanced communication performance, improved transparency and accountability, improved awareness and participation of the employees in CSR activities, government recognition, network expansion, etc. *Main challenging factors* are Administrative; Performance and cost, Sustainability and Tax exemption – refund.

   When business and CSOs joining together, in business' experience, "Transparency and Accountability" becomes the first determinant to maintain the relationship, then the high rate of KPIs performance and professionalisms and the communication capacity. They are also the reasons the business reducing partnership with CSOs. It reflects that though "Brand Value" is the top driving force of companies to do CSR/CSV, they would like to find and maintain the relationship with CSOs in CSR/CSV activities not as communication agencies but be trust partners for social impacts.

9. **Key barriers** inhibiting the CSO-business partnership: from the business's perspectives, the barriers include **(1) the lack of transparency and accountability, (2) weak/insufficient capacity, including communication capacity, and (3) businesses unable to access qualified CSOs**; while those perceived by CSO include **(1) incompatible approach; (2) the lack of business awareness on SDG and/or non-profit sector; (3) business "over-focus" on communication/marketing purpose.**

10. **Over 70% of both business and CSO** respondents believe that networking-related activities (i.e., networking events, sharing workshops, etc.) are of critical importance to strengthen the partnership between the two sectors.

    In addition, to enhance the CSR/CSV/SDG practices, over 70% of the business respondents claim the **critical importance of the communication activities** to help business with awareness raising

about this area; over 60% of businesses highly recommend capacity building activities for enterprises (i.e., training, consultations, information sharing events, audit and certification, etc.), and CSR/CSV/SDG network building.

For a better partnership with the business sector, nearly **75% of the CSOs expect to improve their corporate partnership developmen**t; about 60% of the respondents express their needs for improving their capacity on fundraising from the business sector, strategic communications, and organisational development strategies; approximately 40% need further capacity building on SDGs, and project management.

KEY IMPLICATIONS

1. There is **a certain gap in understanding of CSR/CSV and SDGs in both the business and CSO sector,** including the national agenda on SDGs toward 2030 and the UN SDG framework. It is of critical importance to create orientation sessions to enhance their awareness on this subject matter.

2. The **business - CSO partnership** has great potentials, it is also an indispensable relationship in creating inclusive values for the society, hence, should be further strengthened. It is so positive that both sides have well recognized the strengths of each other. Thus, there a so far untapped potentials for a long-term and sustainable partnership which should be built on a win-win relation sharing goals and impacts. For an effective partnership, **both sectors need to further receive support and technical assistance through training courses and networking-related activities.**

3. Specifically, it is necessary to build a **sustainable development platform in which businesses and CSOs and other related stakeholders can interact and exchange information, know-hows, and insights**. Both CSOs and businesses should be well classified based on their interest and working areas aligned with SDGs-related matters. It might help with better matching the needs and shared goals among partners.

MAIN RECOMMENDATIONS

1. **Capacity building programmes on CSR/CSV and Partnership for business and CSOs should be developed on demands**. Besides knowledge on CSR/CSV/SDGs, business and CSOs should understand the different characteristics of these two sectors, realise their roles, strengths and weakness to complement each other for a good partnership for creating shared value and social impacts; Capacity building programmes should also help both business and CSOs to develop the partnership strategy in long-term.

2. **Networking and connection between CSOs and Business should** not be general but **be organised by thematic themes or sectors to attract the shared value and interest of CSO and Business partners.** The focused SDGs should be SDG 8 – Decent Works and Economic Growth, 3-Good Health and Well-being, 4-Quality Education, 5-Gender Equality, 6 – Clean water and sanitation; 7 – Affordable and Clean Energy; 13-Climate Action, 16 – Peace Justice and Strong Institution (targets 16.6, 16.7, 16.A, and 16.B), and 17- Partnerships for the Goals);

3. **Creating shared value and building trust partnership should be the approach and focus of the "Win-win for Vietnam project"**, in which the CSV Hub plays the central role for learning, sharing, meeting, and matching different CSOs and business partners for sustainable development;

4. **Advocacy efforts for an eco-system for the Government – CSOs – Business partnership for development is the long-term strategy and approach to achieve**. In this way, the project may take efforts to advocate for the legal responsibility of business sectors to engage in CSR/CSV towards SDGs, for better tax and refund mechanisms for philanthropy activities, and an enabling environment for CSOs- Business partnership.

CHAPTER 1: INTRODUCTION

1.1 Context

The series of natural disasters, air pollution, challenging climate change agenda, and recently, the labour market crisis due to the global pandemic Covid19, anew, raise the importance of Corporate Social Responsibility (CSR), Creating Shared Value (CSV) practices, and the capacity of achieving the Agenda 2030 with 17 Sustainable Development Goals.

The fast economic growth in Vietnam market also produces various development problems. The aim of solving these matters and achieving the delivery of Sustainable Development Goals (SDGs) requires a huge number of resources, however, the government budget is limited, hence the engagement and the partnership between different actors at all levels are the feasible resolutions, including government authorities, civil society organisations (CSOs), private sectors and communities. The rational distribution of resources is extremely crucial in timely tackling the country's urgent problem and in effectively responding to major challenges. Vietnamese CSOs nowadays face many difficulties, especially the lack of financial and human resources so as to resolve social matters, whereas more and more enterprises are engaging in Corporate Social Responsibility (CSR) and Creating Shared Value (CSV). Several big companies in Vietnam have adopted CSV framework in their business strategies and as a result, they gain the value-added for their brand and long-term economic benefits. CSR / CSV is likely to be a means to mobilize the resources of companies to solve social problems. However, CSR/CSV practices of Vietnam enterprises are fragmented, unsystematic and the majority of CSR/CSV activities focus on charity work, individual events. Particularly, there lacks a collaboration among the main actors (private sectors, governments, and CSOs). Enterprises themselves do not have a profound understanding of sustainable development so that they have not yet built reasonable initiatives to dealing with local problems.

In this context, to promote the cooperation between private sectors and civil society organisations in doing CSR/CSV activities towards Sustainable Development Goals, RED has collaborated with Pro NGO! e.V. to implementing the project "Win-win for Vietnam from September 1st, 2020 to February 29th, 2024. This project is co-funded by the Delegation of the European Union to Vietnam.

The specific objectives of the project include: (1) Strengthening the capacity of CSOs and businesses in Vietnam in cooperation activities to do CSR/CSV projects towards SDGs; (2) Building an effective cooperation model between the businesses and CSOs in Vietnam for enhancing CSR/CSV activities; (3) Raising stakeholders' awareness on sustainable development and on the multi-stakeholder partnerships for CSR/CSV towards SDGs.

To better develop the project strategy and logical framework, RED, Pro NGO! cooperate with MSD to do the baseline research on CSR-CSV towards SDGs knowledge, the practice of business, and CSOs in Vietnam as well as opportunities and challenges for the Win-win project to promote Business – CSOs partnership in CSR/CSV towards SDGs in 2021 – 2025.

1.2 Purpose

i) Identify the extent to which businesses and CSOs are aware of CSR/CSV activities toward achieving SDGs

ii) Examine and evaluate driving forces, practices (advantages and challenges included) as well as strategies of CSR/CSV implementation of companies in Vietnam.

iii) Investigate the potentials of the private sector – CSOs partnership in CSR/CSV activities, toward SDGs in the period of 2021 – 2024

iv) Examine and provide recommendations for relevant improvement of the logical framework and indicators of "Win-win for Vietnam" project in the period of 2021 – 2024.

1.3 An overview on CSR, CSV, and SDGs practices in Vietnam

1.3.1 Understanding the concepts

Corporate Social Responsibility (CSR), Creating Shared Value (CSV), Environment, Social and Governance (ESG), Sustainable Development Goals are key concepts used all over the study. Thus, it is of paramount importance to clarify these concepts for a consistent understanding basis. Given the technical feature of this study, we do not look deeply into the concepts from academic literature analysis, but more focusing on a chosen understanding of the concepts on a technical basis.

- Corporate Social Responsibility (CSR)

There is not a unified definition for the "corporate social responsibility" concept. However, the most cited conceptualization of CSR is Carroll's pyramid model in 1979 and 1991. "Corporate social responsibility encompasses the economic, legal, ethical, and discretionary (philanthropic) expectations that society has of organisations at a given point in time" (Carroll,1991).

Figure 1.1: Caroll's pyramid model (Caroll,1979)

Technically, UNIDO - the United Nations Industrial Development Organisation, defines CSR as a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. More specifically, World Bank considers CSR as "the commitment of business to contribute to sustainable economic development—working with employees, their families, the local community and society at large to improve the quality of life, in ways that are both good for business and good for development".

- Creating Shared Value (CSV): Beyond the CSR, Porter & Kramer (2006) proposed the shifting from past generic CSR principles to innovative Creating Shared Value framework which can be considered as an advanced strategic CSR for companies with the specific direction in elaborating a responsible business strategy for companies "*while simultaneously addressing societal needs and challenges*".

- Environment, Social and Governance (ESG): the European companies spread Environmental, Social and Governance (ESG) as a new concept of evaluating CSR/CSV practices for Environment, Society and Corporate Governance, which plays a key role in investment decision since investors prefer the more sustainable business. Since 2014, European Union's Commission issued Non-Financial Reporting Directive[1] with the aim of requiring compulsorily European companies to disclose their ESG practices, but in other continents CSR/CSR is still under voluntary regulations.

- Sustainable Development Goals (SDGs): issued in 2015 by United Nations, as a unified framework, the SDGs are the blueprint to achieve a better and more sustainable future for all. They address the global challenges, including poverty, inequality, climate change, environmental degradation, peace and justice.

Each entity (regardless of businesses or CSOs) might have its own understanding and interpretations of the concepts. Similarly, the practices of the CSR/CSV/SDGs also vary among different stakeholders. After all, these terms indicate **responsible businesses.** In this research, CSR/CSV is considered as a framework *for creating economic value while simultaneously addressing societal needs and problems that help business to build the specific and affirmative sustainable business strategy* (corporate policies and practices) and this study considers the 17 SDGs as the guideline on targeting of CSR/CSV agenda. "CSR/CSV activities" implies all the practices of companies to creating shared value with society for sustainable development.

1.3.2 CSR/CSV/SDGs-related practices in Vietnam

The CSR concept appears in Vietnam in the 2000s through the practices of some international NGOs and multinational companies such as Honda, Coca-Cola, Unilever through their projects in accordance with their universal CSR standards and practices. Then, the Agenda 21 of Vietnam was implemented in 2005 (according to Decision 153/2004/QD-TTG) and the new Law of Environment Protection marked a milestone that the government started to encourage companies to protect the environment and improve working conditions. Later on, the Presidium of the Vietnam General Confederation of Labor issued Decision 609/QD-TLĐ 2008 to implement the project "Strengthening the role of trade unions in promoting Corporate Social Responsibility (CSR) of enterprises in Vietnam". In 2010, officially graduated from Least Developed Country status and classified as a "middle income country", Vietnam attracted many foreign investors and started under raising awareness and pressure of international agreements on implementing CSR. By 2016, Vietnam has signed more than 10 regional and bilateral Free Trade Agreements. Specifically, recently signed free trade agreements with the USA and Europe, Vietnam has opened the market for international trading activities, which has exposed the country to new global requirements and standards for business sustainability and CSR practices. For example, EU –

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[1]https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0095

Vietnam Free Trade Agreement (EVFTA) includes a chapter on Trade and Sustainable Development, stating obligations from both the European Union and Vietnam regarding labour and environmental issues.

In practice, Vietnamese companies apply a number of international guidelines and standards relating to CSR/CSV practices, for instance: Global Reporting Initiatives (GRI), ISO26000, SA8000, AA1000. Particularly, the businesses relating to CTPPP agreements have to comply with Labour-related CSR requirements in Chapter 11, Article 19.7 and Environment-related CSR requirements in Chapter 20, Article 20.10. Also, EVFTA agreement requires "commitments to implement International Labour Organisation core standards (for instance, on the freedom to join independent trade unions - potentially a momentous change as Vietnam does not at present have any such unions) and UN conventions (for instance on combatting climate change and protecting biodiversity)[2]. Several companies have their own Code of Conduct as the common guideline and the compliance proofs for their employers, employees, shareholders, partners in the supply chain.

Nevertheless, there are no unified legal documents or legal frameworks, but specific laws regulate corporate responsibilities toward each business stakeholder: Labor Law, Contract Law, Environmental Reporting Recommendations, etc. Notably, the first voluntary reporting guideline entitled "Guidelines for Disclosure of Environmental and Social Information" was issued in 2016, by the State Securities Commission (SSC), Ministry of Finance, which recommend listed companies to disclose environmental and social information relating to sustainable development. VCCI also introduced to the business community a Sustainable Business Index (CSI) and Sustainable Enterprise Assessment and Announcement Program ("Program") in 2016 to promoting the accountability and transparency of responsible business through the corporate sustainable report. In fact, out of more than 750000 enterprises in Vietnam, only 100000 enterprises are popularized and approached to this program, 2000 enterprises are members of the sustainable development business community[3].

The lack of an officially legal framework and documents or the behavioural standards for CSR/CSV activities is one of the main reasons leading to an unfavourable environment for Vietnamese businesses to advance awareness on CSR/CSV agenda and develop these programs toward SDGs.

1.4. Methodology

1.4.1 Method

As previously mentioned, the purpose of this research is to examine CSR/CSV toward SDGs awareness and practices in companies (including foreign companies) in Vietnam and local CSOs, and the potentials to leverage the partnership between the two sectors in generating the best outcomes of SDGs-related initiatives. Thus, MSD in collaboration with RED and Pro NGO! e.V. conducted a baseline survey on CSR/CSV/SDG practices of the business and the participation of CSO sectors in these CSR/CSV activities in Vietnam and developed this report named "Win-Win for Vietnam". This report utilised a

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[2] http://www.europarl.europa.eu/legislative-train/theme-a-balanced-and-progressive-trade-policy-to-harnessglobalisation/file-eu-vietnam-fta [accessed on April 01th 2021]

[3] https://baochinhphu.vn/Tin-noi-bat/Khong-dieu-chinh-muc-tieu-ve-phat-trien-ben-vung/418847.vgp?fbclid=IwAR3hJDxDB0G9dvHbX_Kpk9z0rzgFkIpi6W1p0rEl50SSYgQSknMY6hOo_5w [accessed on April 13th, 2021]

combination of both quantitative and qualitative methods which allows **a triangulation of perspectives[4]** to provide a comprehensive picture on the current situation of sustainable development in the private sector and the civil society sector in Vietnam. 191 companies and 88 CSOs joining in the study resulted from valid respondents from **108 enterprises and 65 CSOs**. Consequently, it allows for greater validity and credibility for this research finding (Bryman, 2012).

**Instrument design**: Internet-based survey questionnaires and in-depth interviews were the major instruments used to collect data for this baseline research.

- Online surveys with enterprises and CSOs were deemed the most appropriate method given the conveniences particularly in restrictions to travel and physical contact during Covid-19. Survey **questionnaires utilised a variety of question types in order to elicit both quantitative and qualitative data**. The resulting responses fell into three broad themes in correlation with the first three objectives of the research (_**see annex 1 - questionnaires**_). This mixed questionnaire design allowed for more insights into different aspects of CSR/CSV/SDG related practices. Two sets of questionnaires were developed for the business and the CSO.

- Nearly 30 Semi-structured interviews were conducted with several representatives of enterprises and CSOs, and with some key informants (from VCCI, CCIFV, MOLISA). The interview resembled themes from the survey with businesses and CSOs. However, the main purpose of the interview data was to (**1**) **triangulate the results of the survey, (2) gain a deeper understanding on relevant stakeholders' perspectives on CSR/CSV/SDGs-related practices and the business-CSO partnership**. According to Bryman (2012), the semi-structured interview allowed the interviewer to probe and explain questions more fully in a conversational style that makes the study data more ecologically valid. By doing so, the interaction in the interview potentially increases the collaboration and trust between the interviewer and respondents.

1.4.2 Sampling and participants' recruitment

Given the survey purposes mentioned previously, businesses in Vietnam (including foreign companies in Vietnam) and local CSOs were the key participants of the research. Given time and resource constraints, non-probability techniques with convenience sampling were used, though the sample size was determined in advance with a target of at least 100 enterprises and around 100 local CSOs. The participants were mainly recruited through relevant networks of CSOs and enterprises in Vietnam, such as SME associations, networks of beyond compliance enterprises, child-right governance CSO networks, non-profit groups, etc. Specifically, the online survey links were (1) emailed to focal contact points of these networks for further dissemination for their members and (2) posted and promoted on MSD's official social media channels such as Facebook page, and website. To ensure the highest quality of the data, it is required that those who completed the questionnaires should be the leaders of the enterprise or the CSR/Sustainability division (for the business respondent) and the leadership of the CSO (for the CSO respondent). There were 191 enterprises accepted to join the questionnaire, but 108 **(n=108)** samples were considered valid. Similarly, 65 valid CSO samples **(n=65)** were collected while 88 CSOs agreed to the survey.

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[4] See more here: Triangulation | TLC | UTHSC

1.4.2.1 The business sample
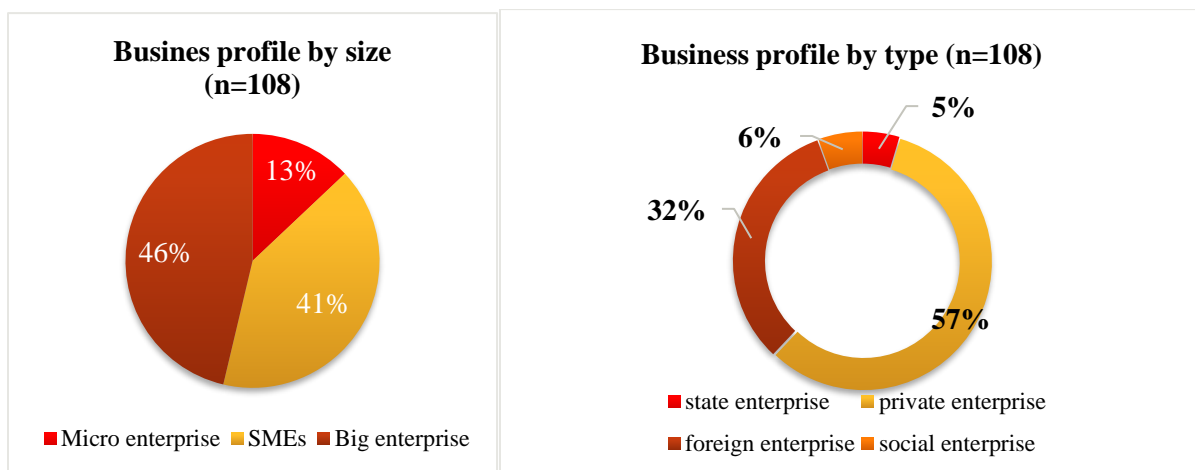
Figure 1.2a: Companies' profile by size and by type, n=108

Company by Industry

Production (23%)	Customer Services (12%)	FMCG (11%)	Marketing (12%)
	Education (10%)	Financial Services (9%)	Commerce & E-commerce (8%)
Technology (13%)	Other Industries (10%)	Real Estate (7%)	Logistics, Export and Import (6%)	Tourism (4%)	Chemical Industries (4%) / Printing Industry (3%)
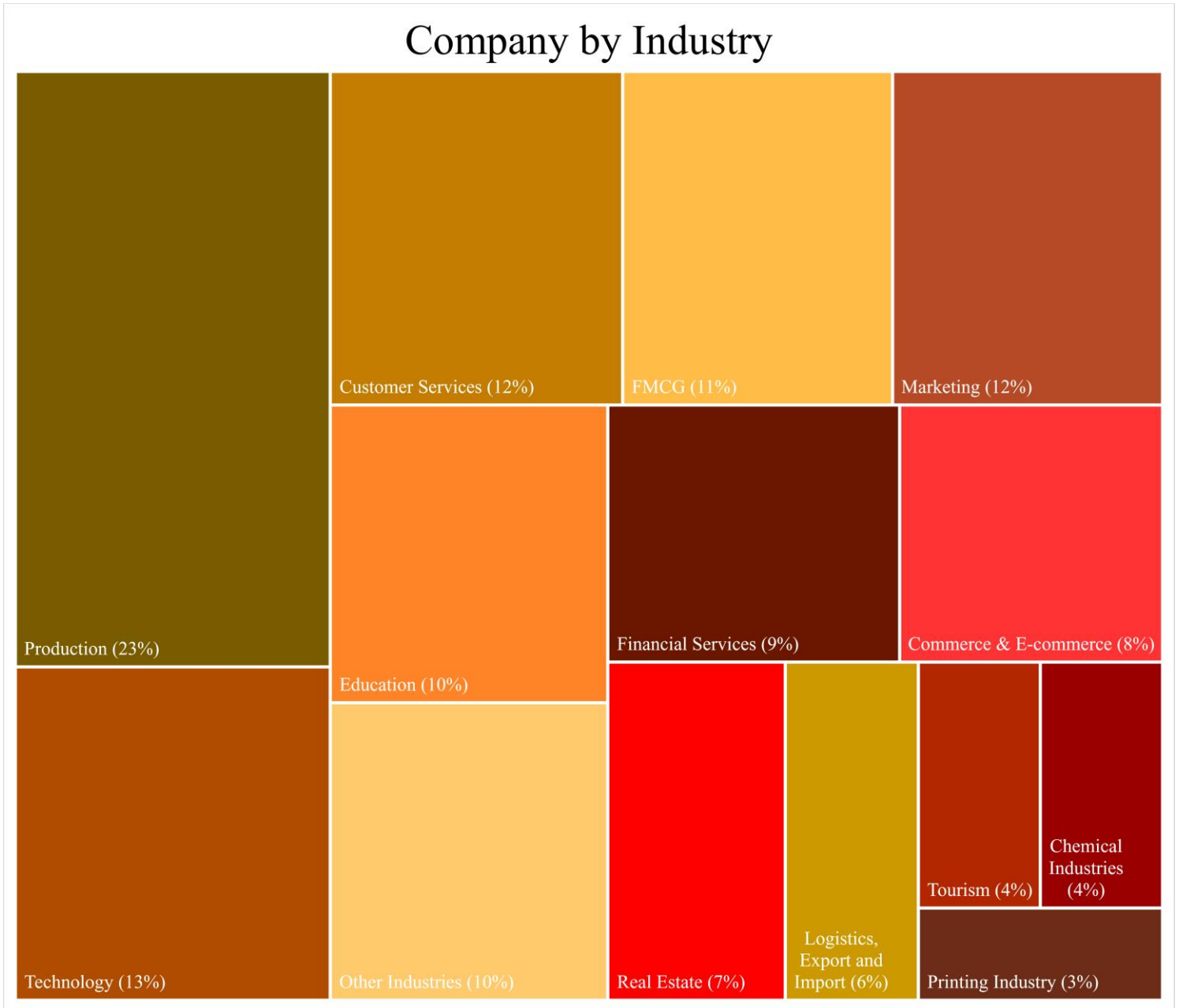
Figure 1.2b: Companies' profile by industry, n=108

1.4.2.2 The CSOs sample
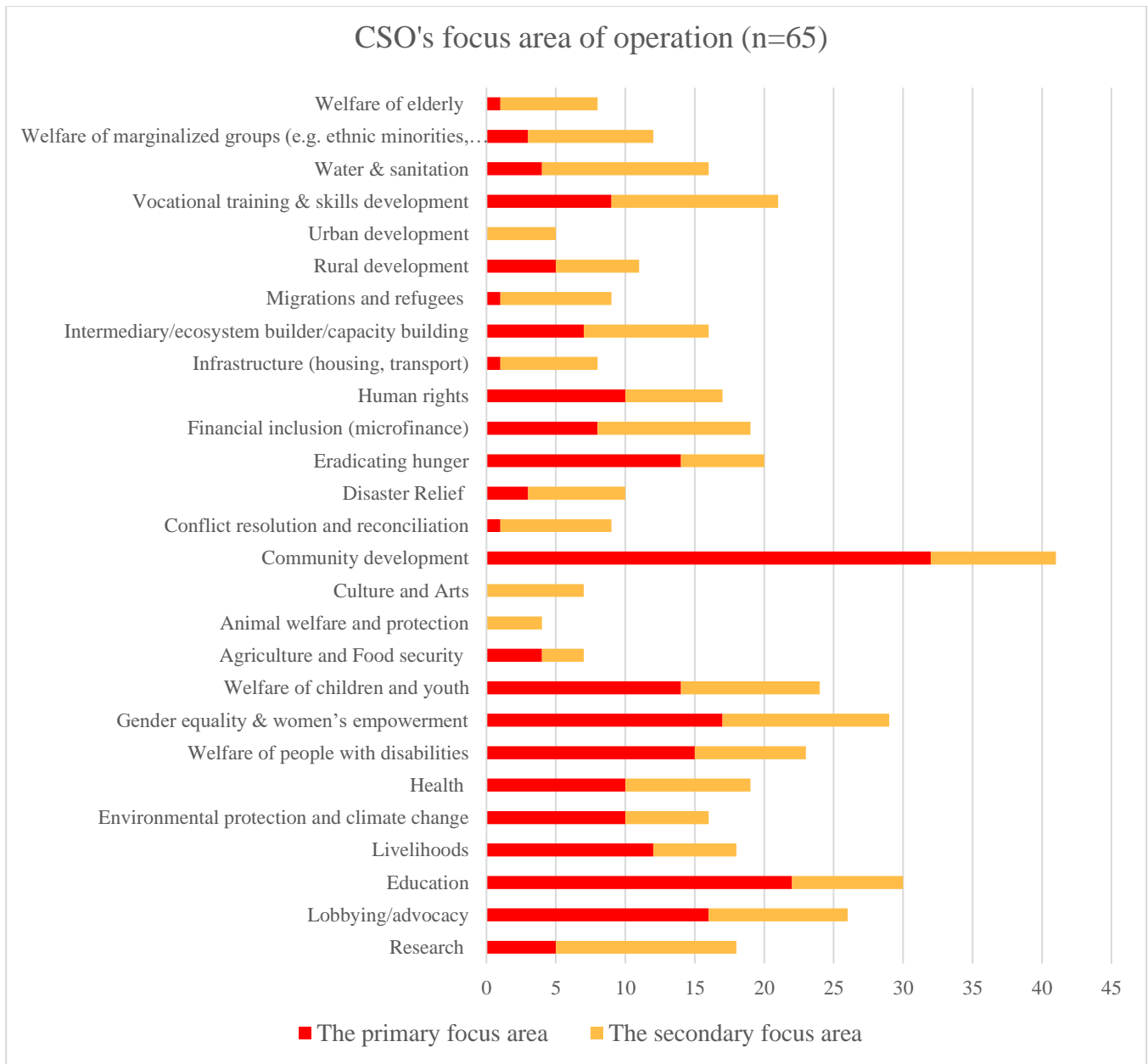
Figure 1.2: Primary and Secondary functional areas of the organisation business operation (n = 65)

Almost all the CSOs that participated in the survey are local organisations with a wide range of target areas of operation which all create social impacts for the community and closely link to the SDGs.

For the interview, purposive techniques were utilised to elicit rich and authentic insights into the CSR/CSV/SDGs-related practices in both CSO and business sectors. In reality, 22 key informants from the business sector, 2 representatives from commerce chambers, and 5 respondents, including those leading networks of CSOs, from the CSO sector were recruited. Apart from this, **a focus group of 15**

participants including representatives from businesses, CSOs, and media was held to seek consultations on the research initial findings.

1.4.3 Data collection and analysis

Prior to the collection of data, consent was sought from and agreed to by all participants. Interview recording permission was secured. Matters regarding confidentiality, the protocol for responsible data management, and the voluntary nature of participation were mutually agreed upon and approved. Quantitative and qualitative data were collected concurrently.

The online questionnaires were administered with businesses and CSOs through a paid account on https://www.surveymonkey.com/ to ensure the data's confidentiality: there was no data mining or data selling. This online survey was piloted with 2 enterprises and 2 CSOs for appropriate content and cohesion. This step was very helpful to guarantee the respondents filling the form in the most efficient and effective manner; using their smartphone or personal computer. The results of the questionnaires were downloaded in form of an excel file and then imported into Statistical Package for the Social Sciences (SPSS) for analysis to obtain descriptive statistics including figures and tables. In addition, a logistic regression model (using R software) was applied to test the correlation of some variables to see any significantly causal inference among variables, however, the study has not yet found significant results.

Semi-structured interviews were conducted mostly through Microsoft Teams/Zoom Meeting video calls, and some in-person meetings, and lasting for around 60 minutes. The qualitative data analysis followed Creswell's (2018) process to improve the quality of analysis. There were five main sequential steps: data structure, data analysis, coding, theme development, and presenting the findings. Relevant quotes were extracted from the interviews for finalising the broad themes. Findings were presented in accordance with the themes and relevance to the research objectives. In addition, five case studies were developed to reinforce and support the findings.

1.4.4 Limitation

Given the choice of the research methodology, there exist possible limitations that need to be acknowledged and ameliorated. The first major methodological downside of the current research was the small-scale sampling. Consequently, its findings were far from representative of the whole business or CSO sectors in Vietnam. To mitigate this shortcoming, using a mixed-methods approach helped explore "the subjective patterns of the personal, group or organisational experience" and avoid the potential bias of views from small sampling (Davies, 2007). In addition, an increase of numbers of interview samples coupled with purposive sampling was executed to generate information-rich in-depth insights and more sounded judgments. **Moreover, in order to verify the main findings of the report, a focus group discussion and consultation with representatives from the business, the CSOs, social science experts, media was held in April 2021 to seek further comments, suggestions, and critiques prior to the finalization of the report.**

Semi-structured interviews could be influenced by both the interviewer's and interviewee's backgrounds, beliefs, and attitudes, which potentially affects objectivity. Effective ways to address this involved using open-ended questions and the researcher's maintaining a neutral attitude throughout the interview. These allowed additional information to flow naturally which, sometimes reveal personal perspectives and attitudes toward the topic to collect more pertinent data. Triangulation of perspectives from three groups

of participants was also a useful strategy to verify the bias from the interview stakeholders (Bryman, 2012).

CHAPTER 2: RESULTS & DISCUSSION

2.1 Private Sector

2.1.1 Awareness on CSR/CSV toward SDGs

64% - More than half of surveyed companies stated that they know about CSR/CSV at different levels regardless of their types, scopes, or business area, especially 55% of surveyed companies are undertaking relevant CSR/CSV projects.

Reflection through the interview, 7 of 13 Vietnamese companies said that it does not matter with them whether the terms of CSR/CSV or SDGs, they understand that they do responsible activities to the communities with charity and philanthropy works. The representatives of some Chamber of Commerce or business associations.

"We do not concern about the term, we concern about what and how we do to be good for the communities, it is also good for our business" (Key informant 20).

Nearly 100% of **international enterprises/ MNCs** stated that they understand CSR/CSV. It is understandable as with the majority of the international enterprises/MNCs, especially the companies from developed countries, CSR/CSV may be a legal compliance issue.

The extent to which surveyed company understand CSR/CSV (n=108)

- I don't know — 4%
- We have no clear idea of CSR/CSV activities — 21%
- We have no clear idea of CSR/CSV activities but have undertaken similar projects — 11%
- We knows about CSR/CSV activities and are planning to take actions — 9%
- We know about CSR/CSV activities and are undertaking relevant projects — 55%
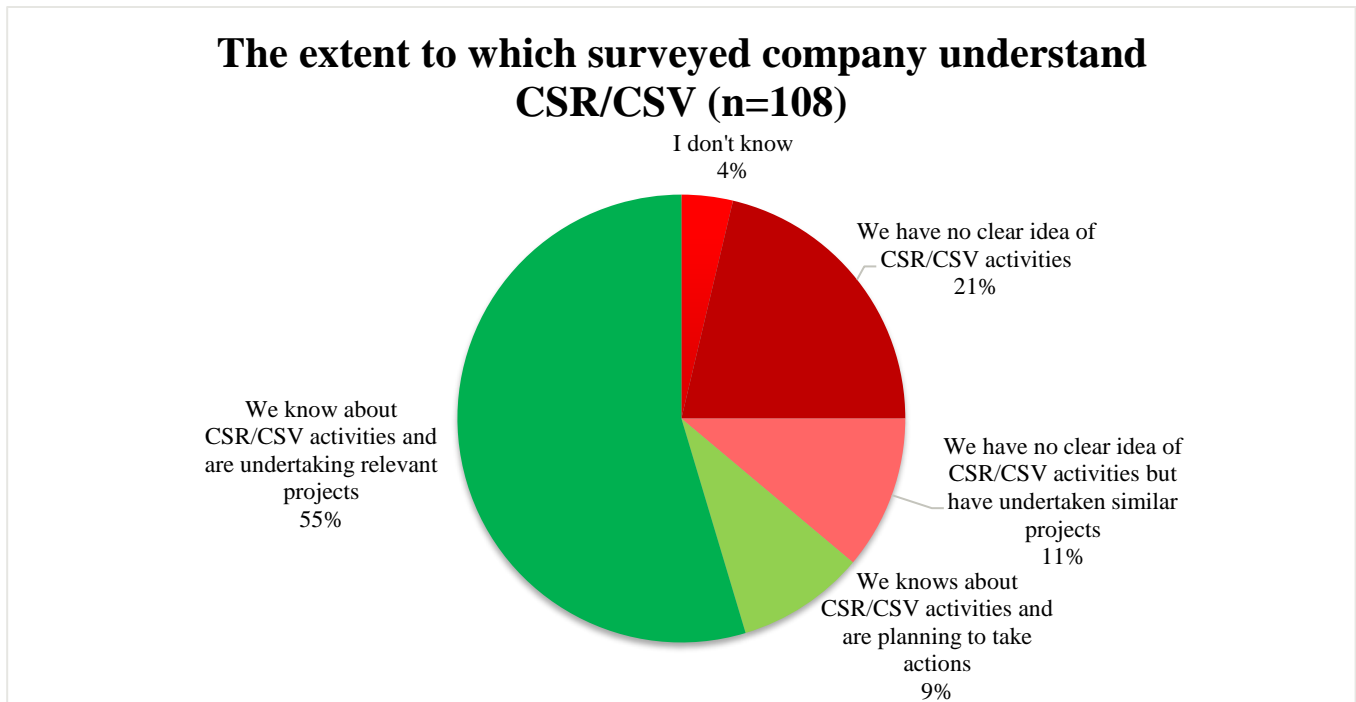
Figure 2.1: Which of the following statements best indicates to what extent your company knows about and engages in the CSR/CSV? (n= 108)

There is a similar result on the understanding of SDGs. 61% of surveyed companies had a clear idea about SDGs, and all of them also know CSR. Especially nearly half of them are undertaking SDG related projects. However, when the question to be extended the ask to what extent your company knows about

and engages in the National Action Plan by 2030 in Vietnam, just nearly 40% of them had an idea about it.

CASE STUDY: NESTLÉ Vietnam - 25th years of enhancing Vietnamese lives

Nestlé is one of the largest Nutrition, Health & Wellness Company with more than 2000 brands ranging from global icons to local favourites. In Vietnam, Nestlé has a long history when established its first representative office in Saigon in 1912.

With the purpose is to unlock the power of food to enhance the quality of life for everyone, today and for generations to come, Nestlé believes that the company can be successful in the long term if it creates values for its shareholders and society while also protecting the planet. That is why Nestlé has adopted Creating Shared Value (CSV) approach to driving everything the company does.

Nestlé focuses on three interconnected impact areas: the individuals and families who place their trust in our products and brands, the communities where the company operates and the planet that provides its raw materials. Nestlé's Creating Shared Value (CSV) is mapped against the United Nations 2030 Agenda for Sustainable Development and contributes to the 17 Sustainable Development Goals (SDGs).

Key CSV initiatives and achievements in Vietnam include:

1. **Active Vietnam:** This is a programme that aims to enhance the stature and endurance of Vietnamese for an active generation, contributing to 641 projects of the government. **Partnered with MOET and MOCST**, Nestlé Vietnam wants to support a more active and healthier next generation. The programme has helped to connect and intensify all sport grassroots for the active lifestyle and healthier lives for over 2.5 million kids through several sport activities and events: Vovinam, Swimming to prevent drowning, Football, Basketball and Aerobic.

2. **Nescafe Plan Vietnam:** With the purpose to make Vietnam become the reference place for the world's Robusta coffee, **Nestlé Vietnam has partnered with MARD, Provincial Agricultural Extension Centres, particularly WASI** in providing high-quality coffee plantlets and pieces of trainings on sustainable coffee cultivation techniques to coffee farmers in the Central Highlands. In the last 10 years, Nestlé Vietnam has distributed more than 46 million high-quality coffee plantlets, rejuvenated some 46,000 ha of old coffee trees, reduced 40% water for irrigation and 20% chemical fertilizers/ pesticides, formed 274 farmers group in which 30% farmer group leaders is female, and helped increasing farmer incomes by 30-100%.

3. **Chị NEST:** Nestlé Vietnam has collaborated with **Vietnam Women's Union and Provincial Women's** on raising awareness on gender equality and women's rights, supporting Vietnamese women with additional income opportunities, and sharing the best experience in women empowerment. Under Chị NEST programme, Nestlé Vietnam has connected more than 3,000 members in 2,000 communes of 20 provinces, reached and supported 500,000 rural households in nutrition knowledge improvement.

To protect the planet and preserve the resource for future generations, by 2017, 100% Nestlé Vietnam factories achieved Zero Waste to Landfill. The company adopts renewable energy in production to reduce 60% CO_2 emission in the past 10 years. Nestlé Vietnam used biomass made from coffee ground to replace 60% DO consumption in our coffee production factory. In addition, it jointly implemented the "More Coffee with Less Water" project to help farmers to save water usage in coffee irrigation in the Central Highlands. One of Nestlé's ambitions is to achieve 100% recyclable or reusable packaging by 2025. The company has realised the global commitment in Vietnam through various concrete actions.

2.1.2. Prioritisations of specific SDGs

Surveyed companies in Vietnam are most concerned with **Goal 8: Decent Works and Economic Growth; Goal 3: Good health and Well-being, and Goal 13: Climate Action**, while Quality Education (Goal 4) and Partnership (Goal 17) are SDGs gaining significant attention in Vietnam.

Figure 2.2: SDGs goals have received the most attention from surveyed companies in Vietnam (n=108)

This result is similar to the Chinese SDGs survey in 2018 of PWC[5] when the Chinese private sector also paid the most attention to Goal 8 and Goal 13. In addition, the priority given for SDG 3, 13, and 4 of surveyed businesses in Vietnam is also in line with the results of the Global SDGs Survey in February 2020 which collected respondents from 174 countries[6].

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[5] https://sdghub.com/project/private-sector-awareness-of-the-sdgs-a-survey-report-on-business-and-sustainability-in-china/
[6] 20200205_SC_Global_Survey_Result-Report_english_final.pdf (globalsurvey-sdgs.com)

Prortization of specific SDGs from the business perspective (n=108)

■ At the present ■ In the next 5 years
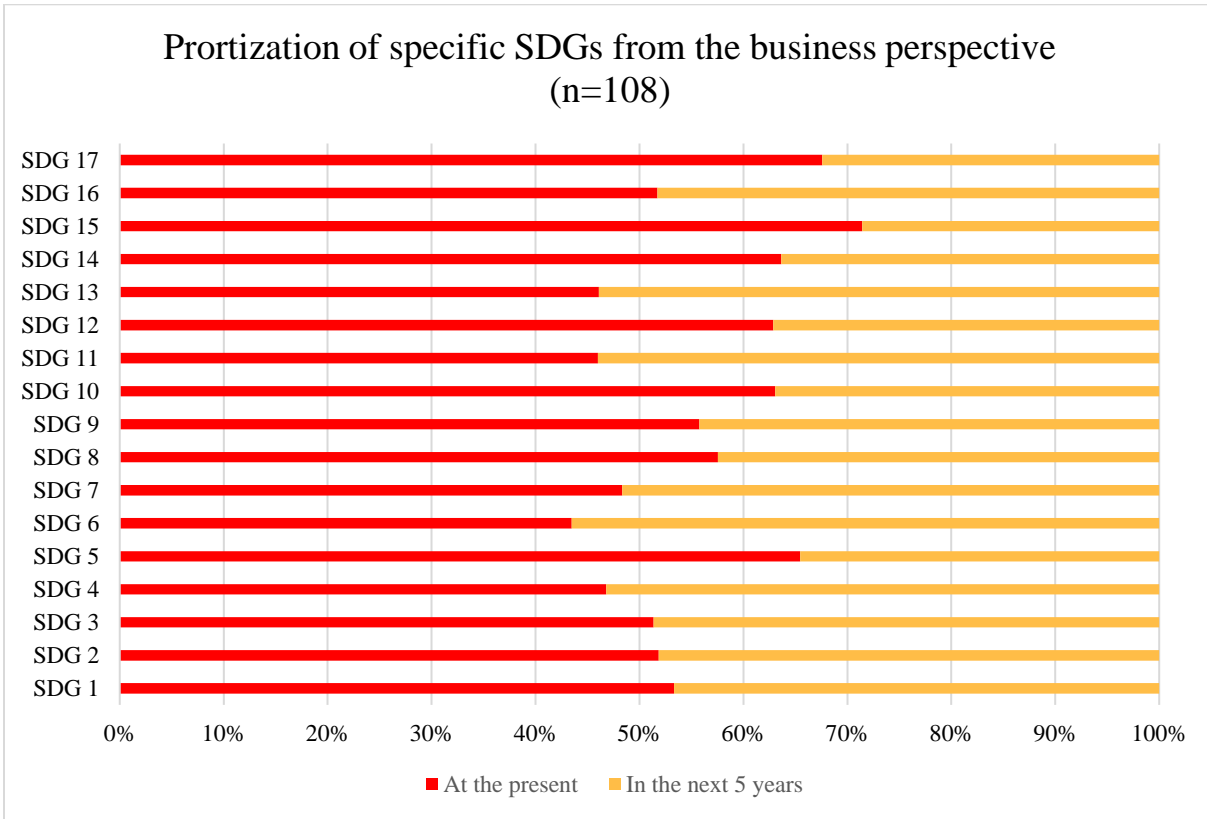
Figure 2.3: Prioritization of specific SDGs to the surveyed business currently and in the next 5 years (n=108)

There were just some minor shifts in terms of SDGs priorities at present and in the next five years from businesses' perspectives. SDG 3, 4, 8, 13 were perceived as high priorities of focus. The shift is significant with SDG 8, 12, 17 in the degree of decreasing the priorities in the next 5 years. Climate Change (SDG13) is likely to become the most contentious issue, followed by Quality Education (SDG 4), Good Health and Well-being (SDG 3) and then Decent Work and Economic growth (SDG 8). Interestingly, **Water and Sanitation (Goal 6) and Affordable and Clean Energy (Goal 7)** would be the next priorities of companies in the next 5 years.
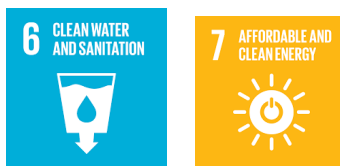
Figure 2.4: SDGs goals attract the consideration of surveyed companies in Vietnam in the next 5 years (n=108)

84% of surveyed companies believe that each region in Vietnam has specific social issues to be addressed. In detail, though the top three urgent needs throughout the countries are Disaster Relief, Infrastructure and Clean Water and Sanitation, the order of prioritizations are different by region. For example, due to climate pattern in the central and the northern regions, disaster relief is considered the most concerning issue by surveyed companies while in the southern region, the infrastructure is paid

more attention. In addition, poverty reduction (see SDG 1) still needed to be taken into account in the central of Vietnam with the second most frequency.
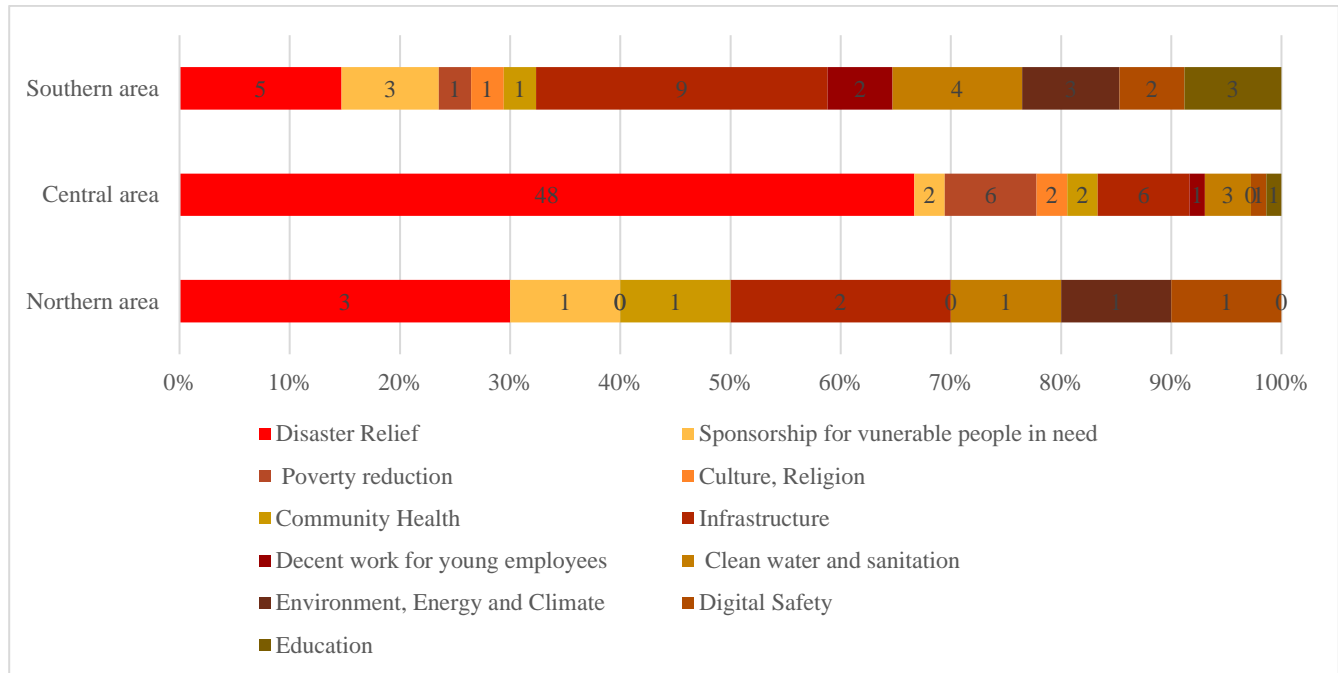
Figure 2.5: Urgent social issues to be addressed in the next five year perceived by the business, classified by regions in Vietnam (n= 85)

Disaster Relief is the first concern of business in all three regions (Southern, Northern and Central region) in Vietnam however, this issue is not the main focus area of surveyed Vietnamese CSOs. This finding can explain somehow the incompatible approach in cooperation of business-CSOs in Vietnam.

Some companies expressed special focuses or interests with *specific provinces* to implement their CSR/CSV programmes, almost in rural or mountainous areas – almost in the list of poor provinces in the 30A Program of the Government of Vietnam. The more focused areas are Tay Nguyen, Mekong Delta, Northern island, and Norther Centre of Vietnam.

Figure 2.6: The provinces that surveyed business give priorities in implementing CSR/CSV

The surveyed micro companies had tendencies to tackle the social issues in the rural areal while SMEs preferred the mountainous one. With surveyed big companies, it seems that they will invest in all areas of mountainous, rural and urban areas.

Social issues should be focused in the urban area from the business perspective (n=101)

Social issues should be focused in the rural area from the business perspective (n=101)

Social issues should be focused in the mountain range from the business perspective (n=101)
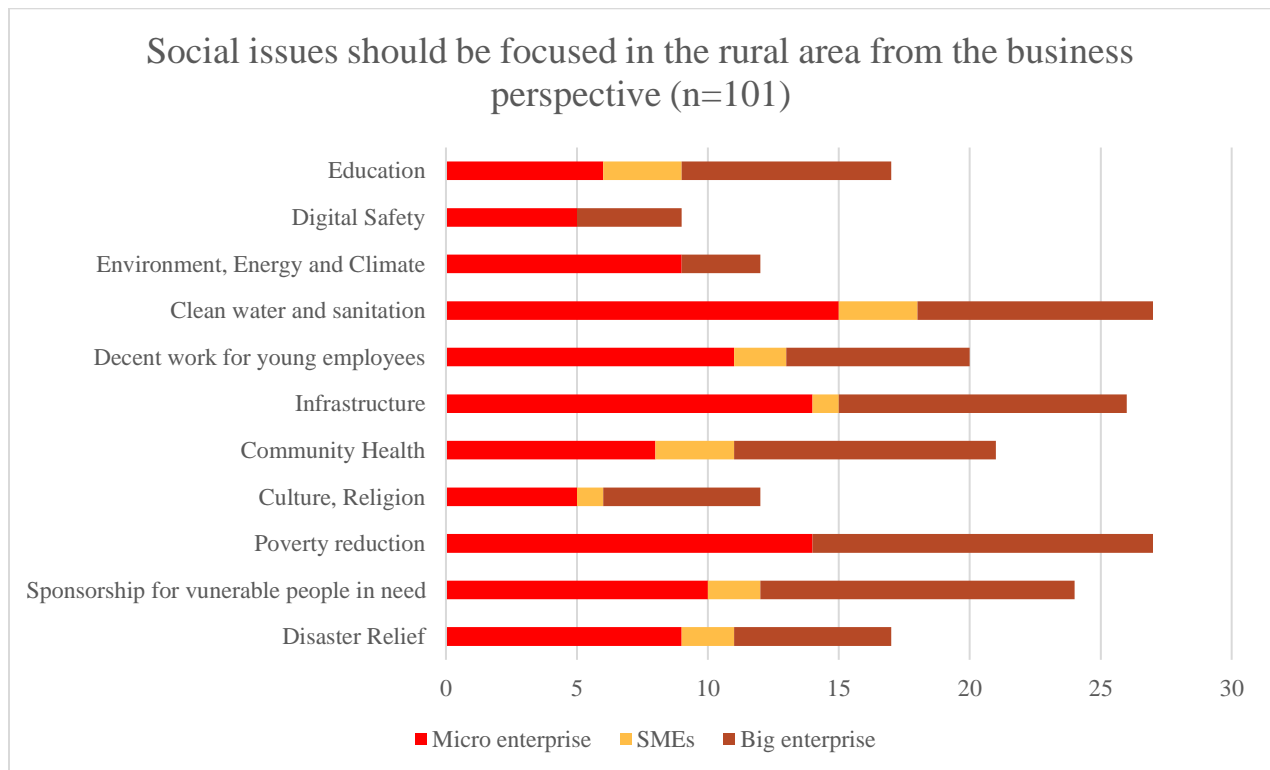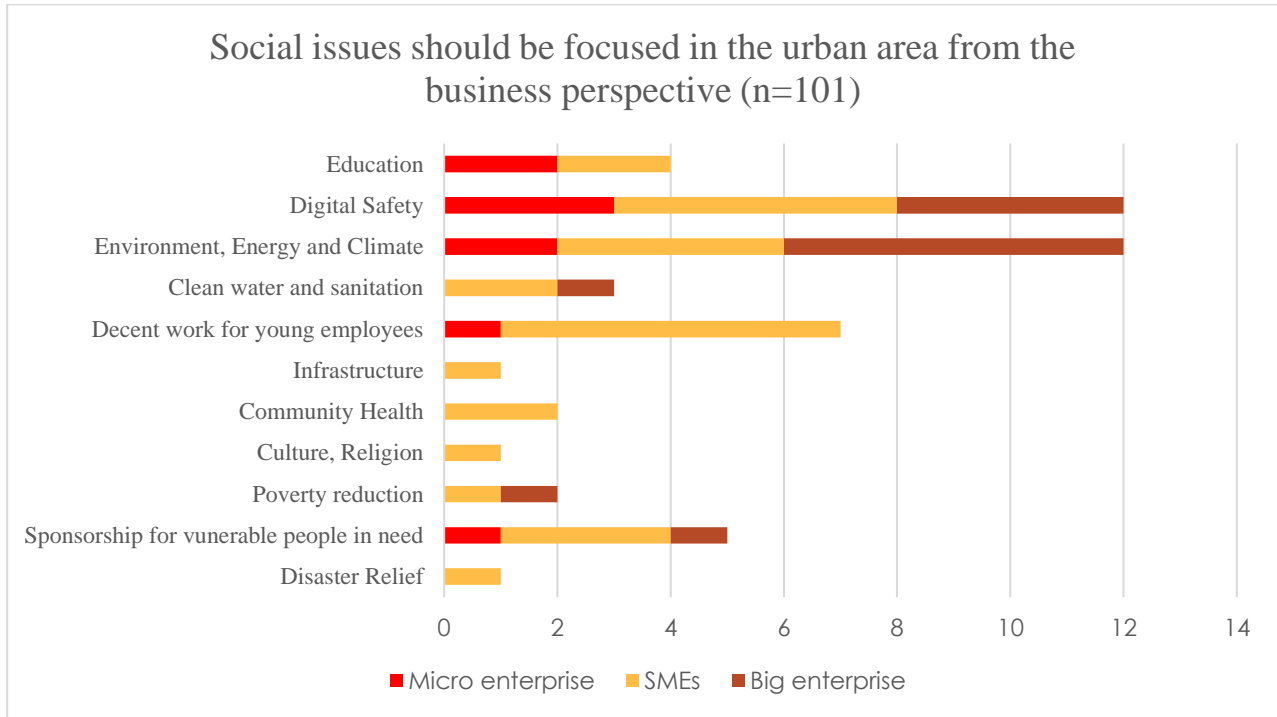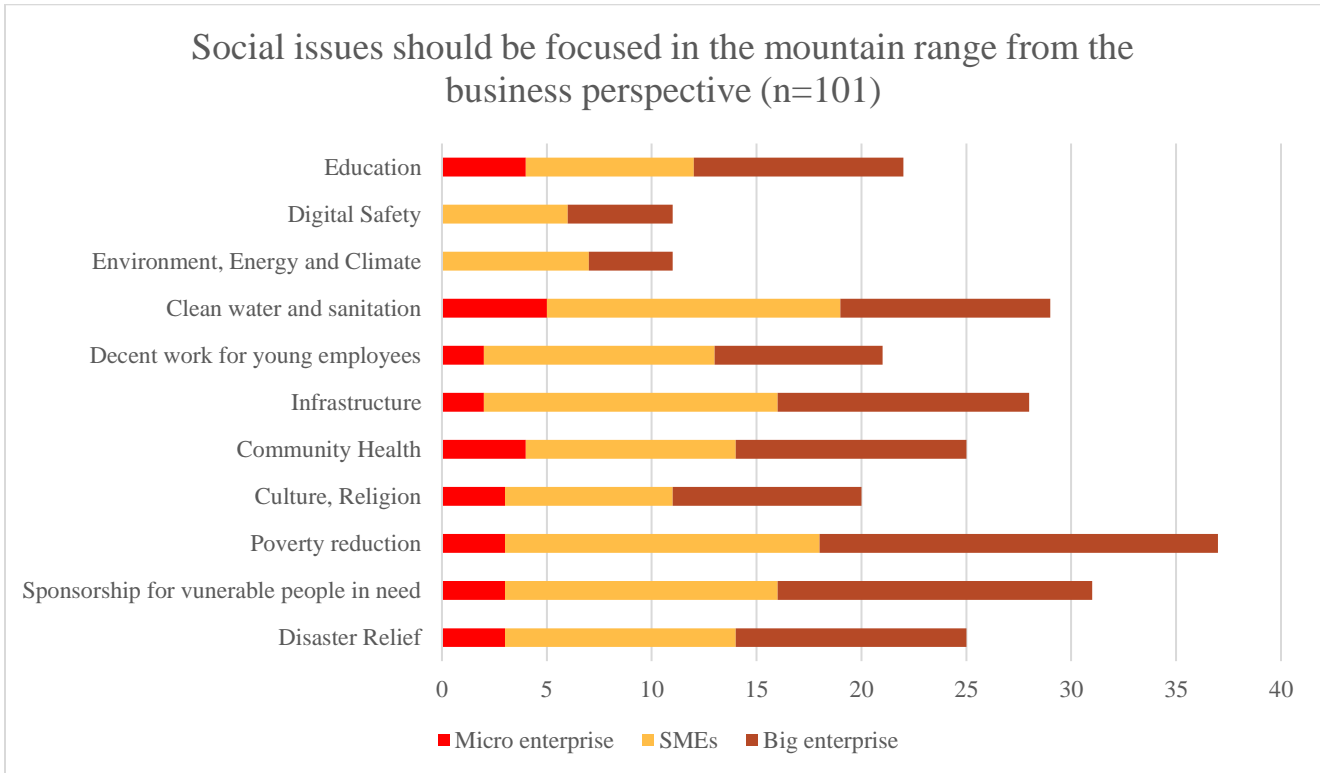
Figure 2.7: Social issues of companies' interest classified by region from the view of three groups of surveyed companies in Vietnam (n= 85)

The interviewed companies revealed some reasons why they chose the specific provinces to focus on, which are:

- The poor provinces in the Program 30A of the Government of Vietnam as stated above;

- The area where companies operate and locate in

- The provinces where are the home/motherlands of the companies' leaders;

- The provinces are suggested by partners;

2.1.3. Key driving forces

Key factors: The survey shows that **brand value improvement** is still the **most important driving force** for businesses to implement CSR/CSV towards SDGs – almost 90% of surveyed businesses thought about it regardless of business sizes, types, and sectors. Besides, the customer demand (64%) and competitive advantage (61%) are important results to motivate companies to do CSR/CSV. The results are similar to the global trend of the increasing pressure on businesses to meet external satisfactions and to create companies' competitiveness. Particularly, CSR/CSV is always in the eyes of most big enterprises (67%) because their companies can identify risks and opportunities by leveraging the SDGs, this factor seems to be not the interest of SMEs and micro enterprises.

Key driving factors for business to promote CSR/CSV towards SDGs (n=102)

Increase our brand value (87%)

Improve our competitive advantages (61%)

Our suppliers/ partners attach importance to sustainable development actions (61%)

Our clients attach importance to sustainable development actions (64%)

Our company can identify risks and opportunities by leveraging the SDGs (45%)

The government has issued relevant provisions (26%)

Compe… for negative impacts on busines…

Outreach by outside organizations (21%)

O… (…

Legend:
- Increase our brand value (87%)
- Improve our competitive advantages (61%)
- Our clients attach importance to sustainable development actions (64%)
- Our suppliers/ partners attach importance to sustainable development actions (61%)
- Our company can identify risks and opportunities by leveraging the SDGs (45%)
- The government has issued relevant provisions (26%)
- Compensate for negative impacts on business operations of your company (23%)
- Outreach by outside organizations (21%)
- Other (5%)

Figure 2.8: Driving factors for the implementation of the SDGs for companies in Vietnam (n= 102)

Analysing the business and experts' interviews, some hidden driving forces are revealed as:

- Leaders want to pay back to the communities. This driving force came most from big Vietnamese companies (5 key business informants) having leaders with religious beliefs (i.e., Buddha religion) to pay back the communities when they do business successfully. These companies may not give the priority to communication but philanthropy practice with the feeling of doing good;

"Our leader believes that if we would like to do business successfully, we also need to pay back" (Business key informant 7)

- Being compliant to attract more investment from the international partners;

"We need the investor know that when they invest in our company, they invest in a sustainable business" (Business key informant 7)

"Our international partners asked us about the Sustainability plan and report. They said we need it to expand our business abroad. So, to widen our business, we need to improve our CSR/CSV to be SDG" (Business key informant 28)

"CSR is no longer international practices, but the second business license. More and more investors use ESG to evaluate the development of business and to make decisions about whether they will invest in the

business or not. Besides financial performance indicators, sustainability indicators are increasing important" (Business key informant 4)

Key players: Promoting CSR/CSV towards SDG effectively requires aligning with strategies of key actors in the process. The majority of surveyed companies (70%) believe that the government is the leading key driving force in achieving SDG progress. The business can also take the second lead in SDG implementation, and then civil society's role comes the third place. The three actors are roughly on the same level that generates the triangular cooperation.

"CSOs play a key role in sustainable development as they have expertise on this. We trust and depend on their expertise to help our company to achieve better results in our sustainability plan" (Business key informant 5)
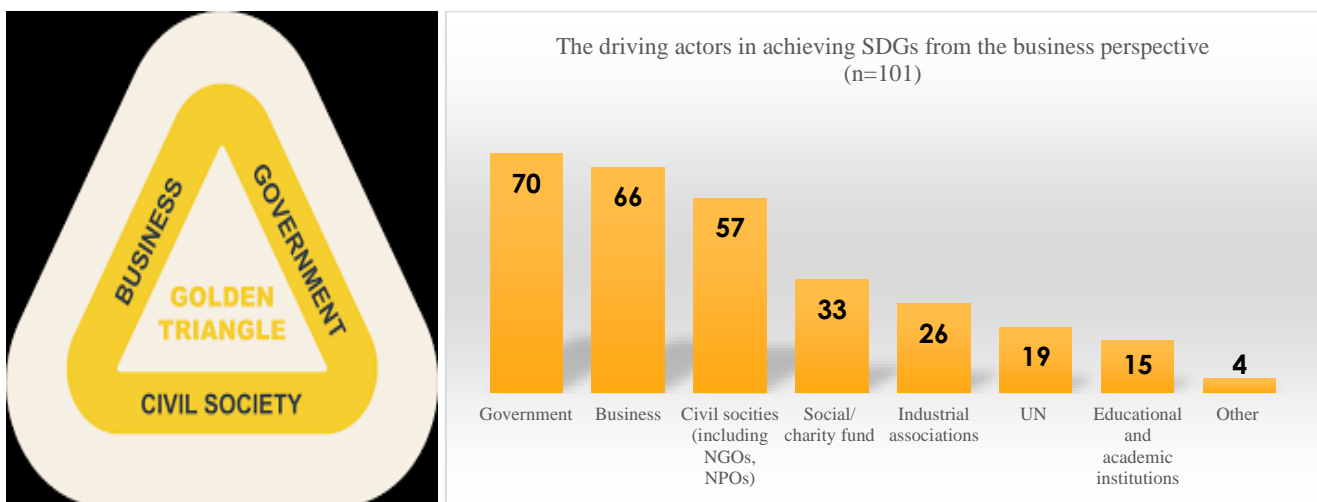
Figure 2.9: Main drivers of the SDGs for companies in Vietnam (n= 102)

This perspective reflects the quite good understanding of the surveyed business on the triangle of development which includes Politics (Government), Economy (Business) and Civil Society. According to Albareda et al., (2008), the lesson learned in European governments is that the government adopts an impartial role, facilitating the participation of all sectors when drafting sustainable development policies as these policies have to be fitted the business agenda, as well as to consider the concerns of civil society in general, and non-government organizations in particular. However, through interviews, some companies gave the priority to work with government agencies only rather than cooperating with CSOs. Some have just recognized that partnership with CSOs can also bring the partnership with Government agencies.

2.1.4. Companies' strategy in CSR/CSV toward SDGs and practice

70% of surveyed companies have mainstreamed sustainability into the business development strategy. Among them, 15% align with the national agenda for SDGs toward 2030 while 30% refer to the 17 SDGs by the UN. About 25% of surveyed companies have a sustainable strategy which is aligned yet with neither national nor UN's agenda. Through the reflection of interviewed businesses, many are in the transformation process of aligning with the SDGs; others have applied ESG and may consider aligning with SDGs later.

"Our business value includes the focus on society – customers – community for years. This found the ground for our CSR/CSV programs. After the issue of SDGs and UN Agenda 2030 in 2016, we review our value and see our focuses aligned with, and we start to align SDGs to our business strategy since then". (Business key informant 24)

The enterprises' understanding of CSR/CSV is 8.5 times more likely to consider CSR/CSV in their business development strategy than those without awareness of CSR/CSV.

In terms of firm size, it is not surprising that surveyed big enterprises have a higher rate in mainstreaming sustainability into business strategy than surveyed SMEs, relatively 87% and 57%. Regarding SMEs, the majority (33%) have not yet aligned with the National Action Plan (10%) or SDGs of the UN (14%), however, up to 36% of SMEs in this sample have no intention to mainstream sustainability in their operational strategy. The 17 UN SDGs is the most preferred guideline of big and micro enterprises that integrate sustainability factor into business strategy.

The action of companies to implement the CSR/CSV toward SDGs strategy can be reflected through these below figures.

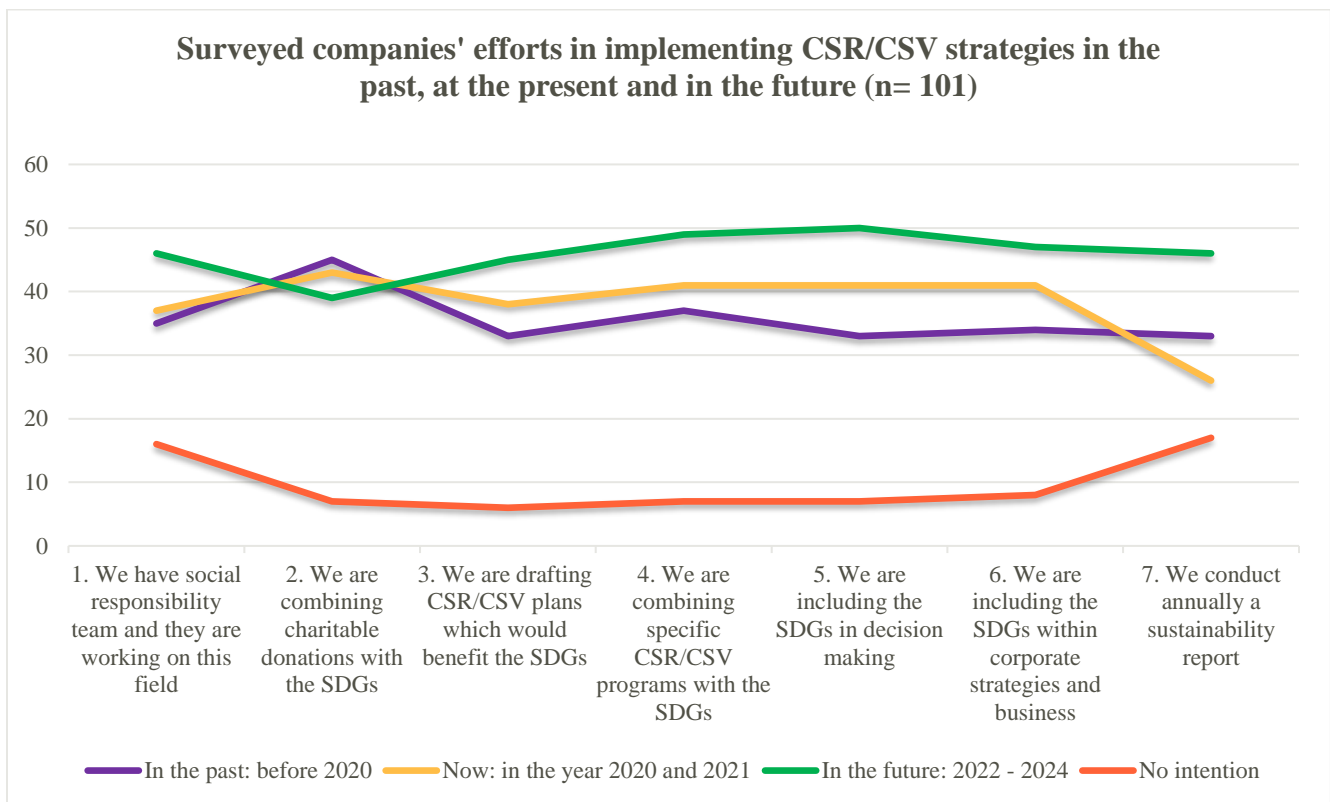**Figure 2.10: Efforts of business respondents in implementing CSR/CSV strategies over time**

(n= 102)
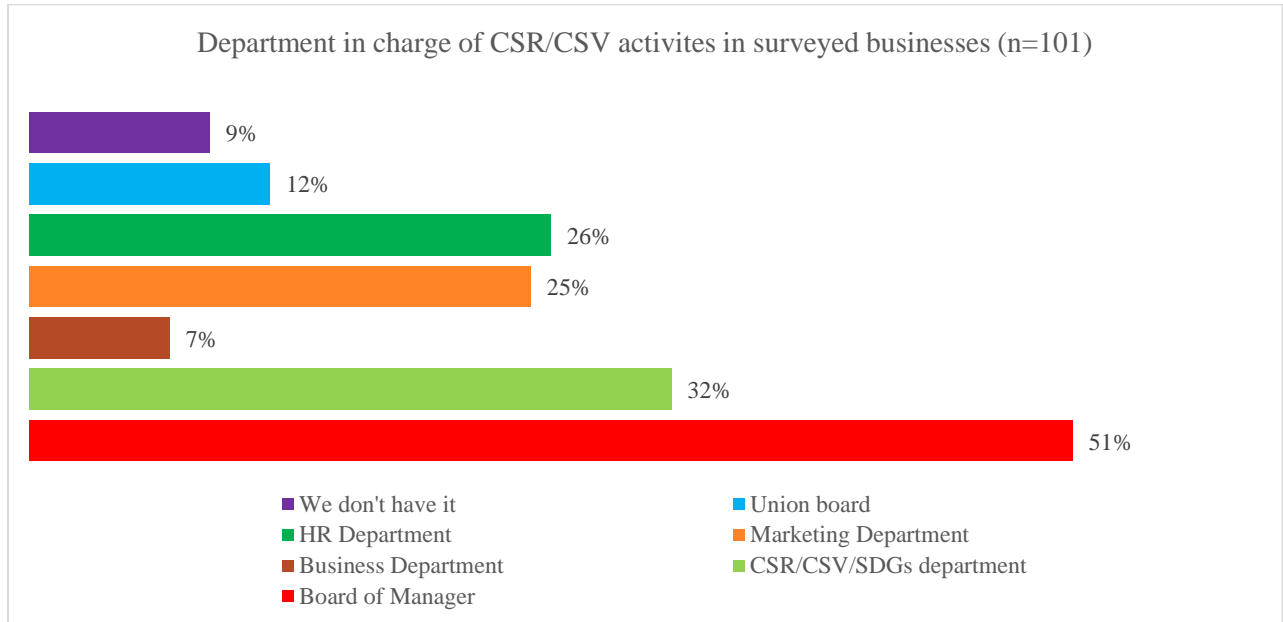
Figure 2.11a: The department in charge of CSR/CSV/ SDGs (n=101)
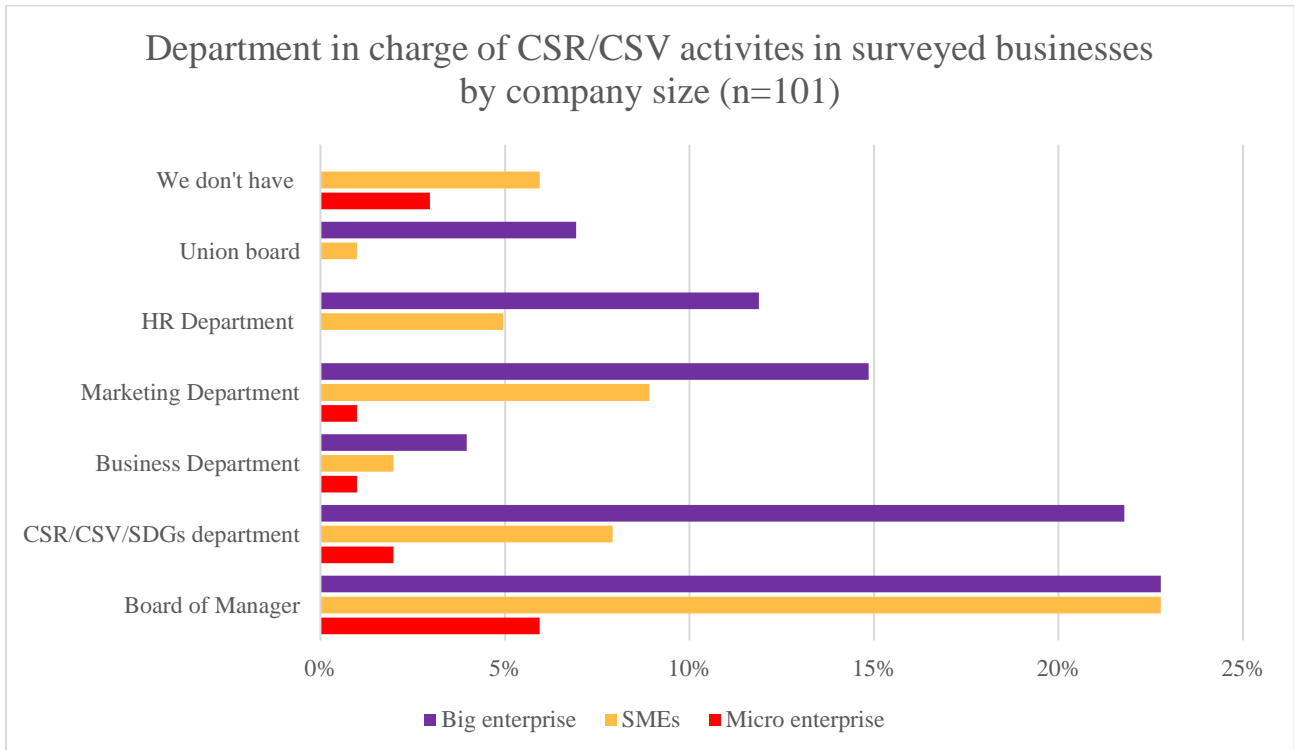
Figure 2.11b: The department in charge of CSR/CSV/ SDGs by company size(n=101)
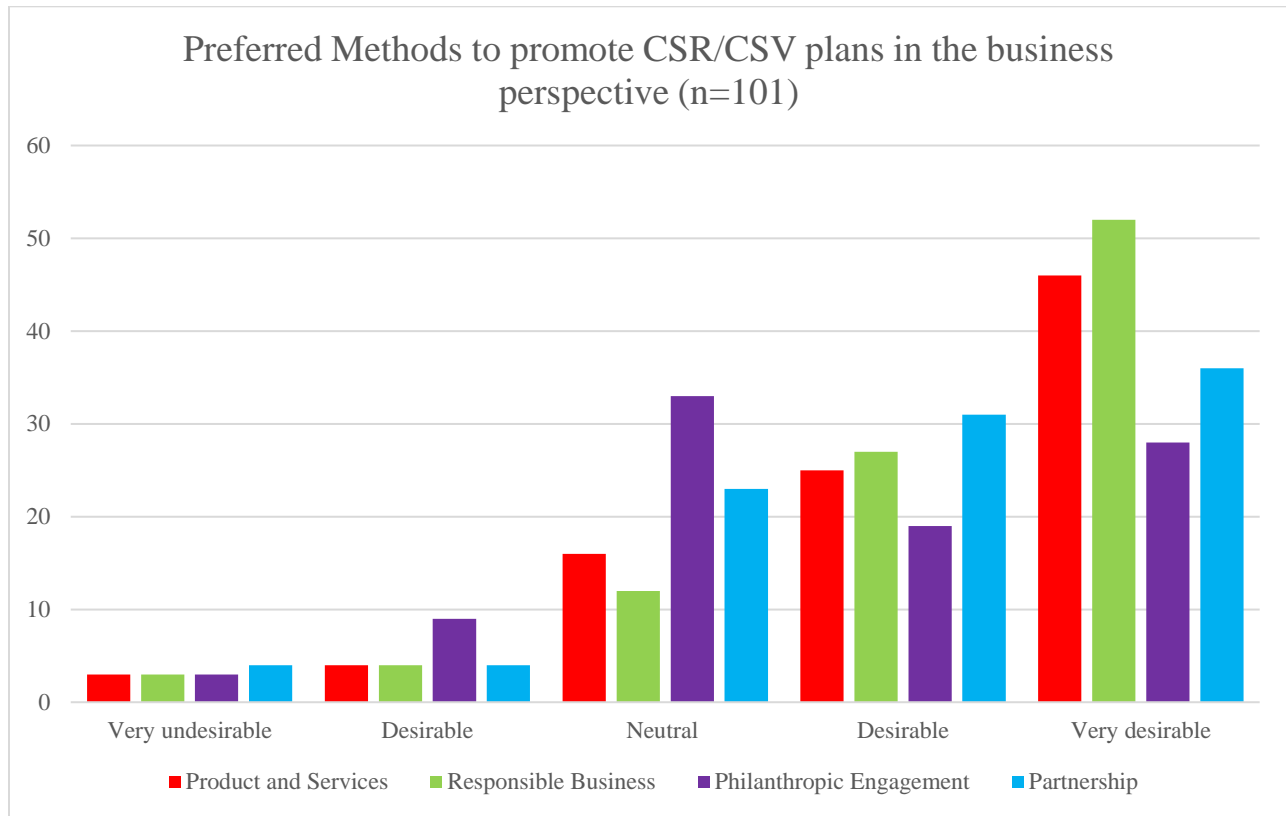
Figure 2.12: The methods the surveyed companies used to promote CSR/CSV plans towards SDGs (n=98)

As illustrated in the above Figures, some indications would be implied:

(i) The CSR/CSV is becoming more professional: The companies tend to have a CSR team and the CSR/CSV tasks are responsibilities of high levels. In line with the finding on CSR/CSV awareness, 100% surveyed big enterprises have the department in charge of CSR/CSV activities. The majority of businesses have Board of Management and/or CSR/CSV/SDG department in charge of CSR/CSV activities.

In surveyed big enterprises (accounting for 41% of the total sample), the ratio of Board of Management in charge of CSR/CSV/SDG is nearly equal to that of CSR/CSV/SDG department, while in surveyed SMEs (accounting for 46% of the total sample), the percentage of Board of Management in charge of CSR/CSV/SDG is much higher than that of the specific CSR/CSV/SDG related department. In detail, CSR/CSV/SDG department is the second choice of big enterprises and micro enterprises to implement CSR/CSV activities, however, it is the third choice regardless to SMEs since SMEs prefer the marketing department instead. Noticeably, micro enterprises perceived also Board of Managers and CSR/CSV/SDG department to handle CSR/CSV tasks and these activities are not the responsibilities of Human resources or Union board as one usually supposes. In addition, there is a tendency that the companies changed from focusing on charitable donation to increasing well-managed of CSR/CSV and business with expertise and in more professional ways (with planning, combining programs, improving decision making, or including incorporate strategies)

(ii) When slowing down CSR/CSV activities and charity activities, and only philanthropic engagement, the business promotes CSR/CSV associated more with corporates' products and services, responsible operations and strategies, and partnership.

(iii) However, regarding Figure 2.13, the sustainability report has not been a focus of the surveyed companies yet. In the transformation process, positively, the majority of companies are planning to evaluate the influence of CSR/CSV, though one-third of them do not know how to evaluate. Another one-third of their surveyed companies have no willingness to evaluate the influence their CSR/CSV activities.
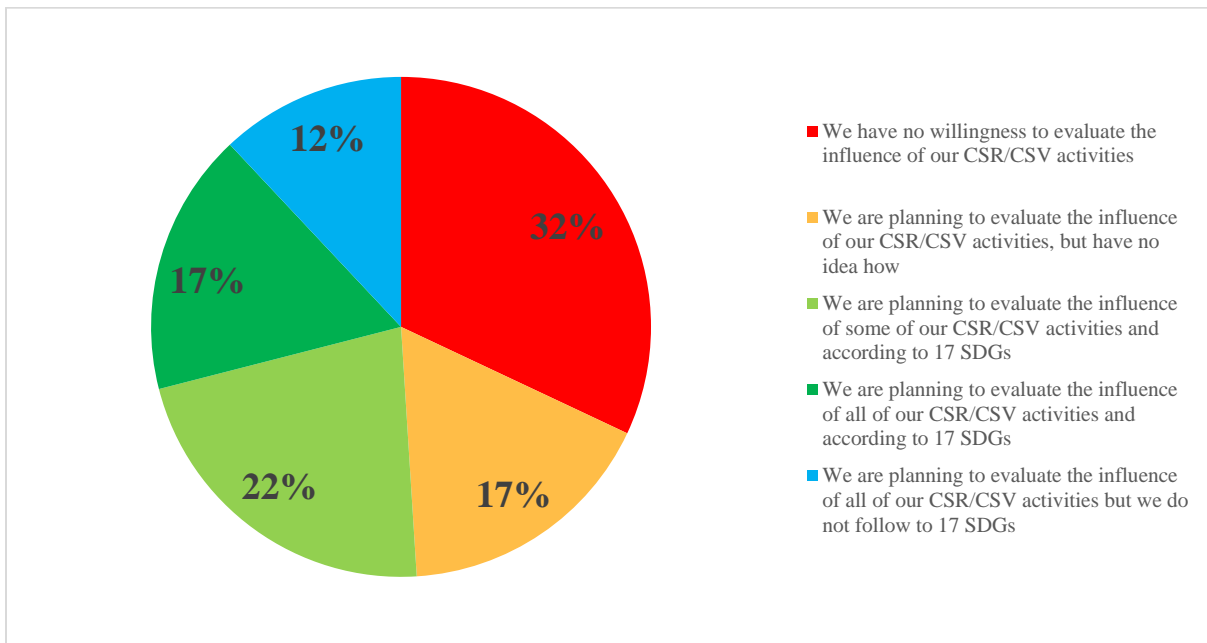
Figure 2.13: The company's plan for the evaluation of the influences of CSR/CSV practices (n=100)

"We have not invested in measuring and evaluating our CSR/CSV activities, we also not yet ready for publishing any sustainability report because (1) we do not focus on communication; (2) there may be risky with media or communities not understand fully our efforts. However, I think this year, we should also focus more on measuring the social impacts of our programs, at least the report should be prepared for internal use so that we can find out the gaps, consider the returns on investment to be better manage our CSR/CSV programmes" (Business key informant 7)

With half number of companies are planning for the evaluation of their CSR/CSV activities, it results in the limited number of surveyed companies that can elaborate the results of their CSR/CSV to their companies. Among 61 companies' responses on the results, the most effective results of CSR/CSV to the companies are (1) Increase the connection with the community and social organisations; (2) Increase the brand value; and (3) Improve loyalty and employee's satisfactions.
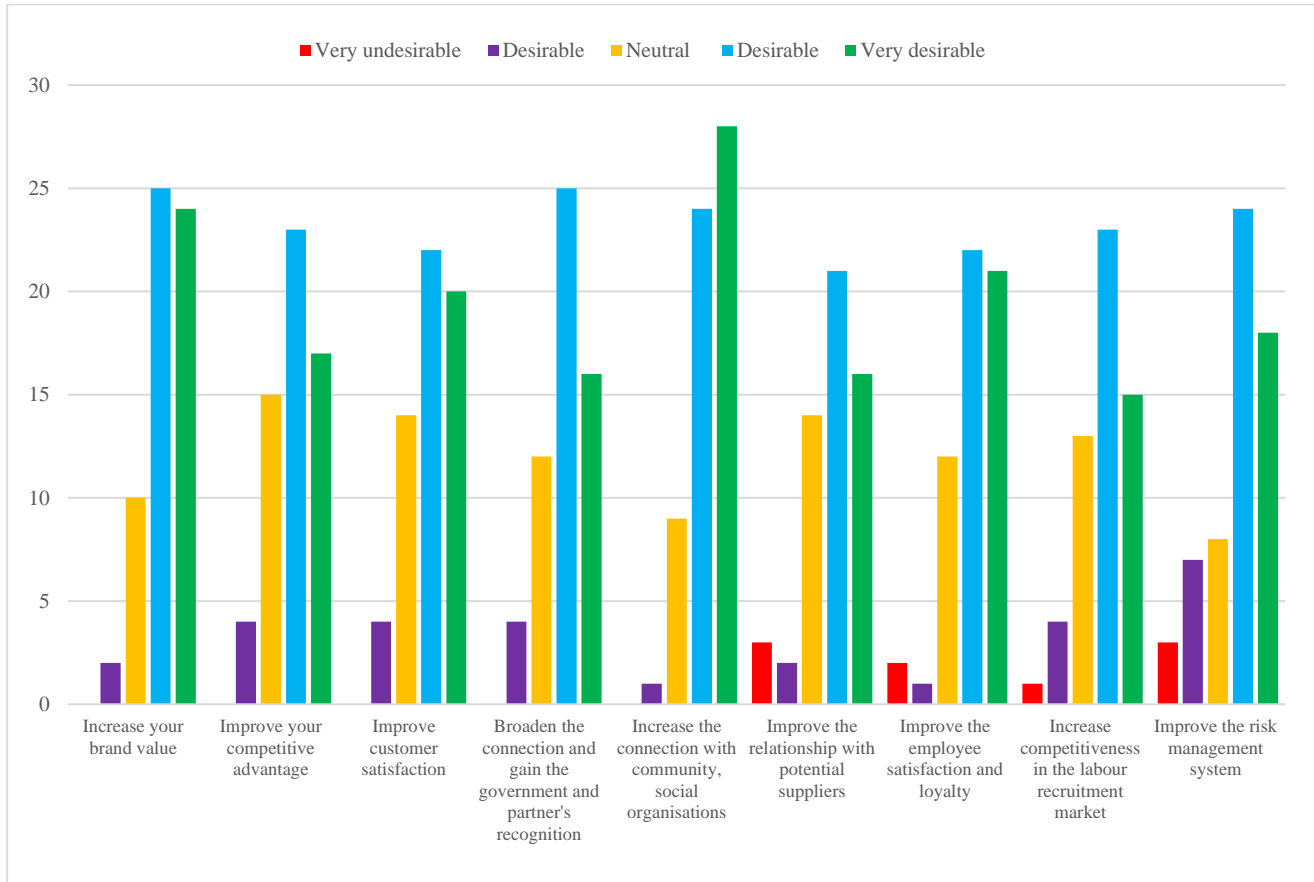
Figure 2.14: The values of CSR/CSV practices perceived by companies in Vietnam (n=101)

In comparison with the driving forces of the business, it seems that CSR/CSV certainly helps companies achieve their expectation of increased brand value, competitive advantages, or client satisfaction. In addition, CSR/CSV practices has truly turned out to help companies further in terms of improving the risk management system, broadening the connection with the community, and gaining recognition from the government.

Nowadays, risk management system includes both financial and non-financial risks. Due to Covid 19 pandemic, businesses are obviously aware of the negative effects of environmental and social problems (non-financial risks) related to the labour health at the worldwide level. The non-financial risk influences seriously their financial performance and the development of the world economy as well. According to an empirical study (Pham, 2020), if a listed Vietnamese company reports non-financial information in their annual report, this company will gain 5.48% higher Return on Asset ratio. Moreover, Jang et al., (2019) said that losing the trust of society by not engaging in responsible and ethical business practices is a big risk in the Asian business market. Therefore, it is reasonable that surveyed companies consider risk management improvement and better connection with community as emerging values of CSR/CSV practices.

In addition, government recognition is also perceived as a value-added in doing CSR/CSV practices. It is not quite difficult to explain the drivers. Since the last 5 years, the Vietnamese government has promoted more and more CSR initiatives for sustainable development as the government needs to ensure

the consensus in many international agreements (EVFTA, Trans-Pacific Partnership for instance) and also the Agenda 2030. Most of the business activities are more or less affected by public policies. As aforementioned, the sustainable development policies have to be also integrated into the business agenda so that the endorsement of government with a kind of volunteer practice (in Vietnam) such as CSR/CSV practice will show the official and public encouragement of government toward the business and CSR/CSV practices. Thus, the government recognition would promote brand value and accelerate business activities as well.

2.1.5. Business investment in CSR/CSV

Positively, **more than 72%** of surveyed companies had the budget for CSR/CSV activities or were willing to allocate the budget and intend to prepare a budget for CSR/CSV plan. In the plan of 2021 – 2025, more than 50% of companies have increased their CSR/CSV budget.
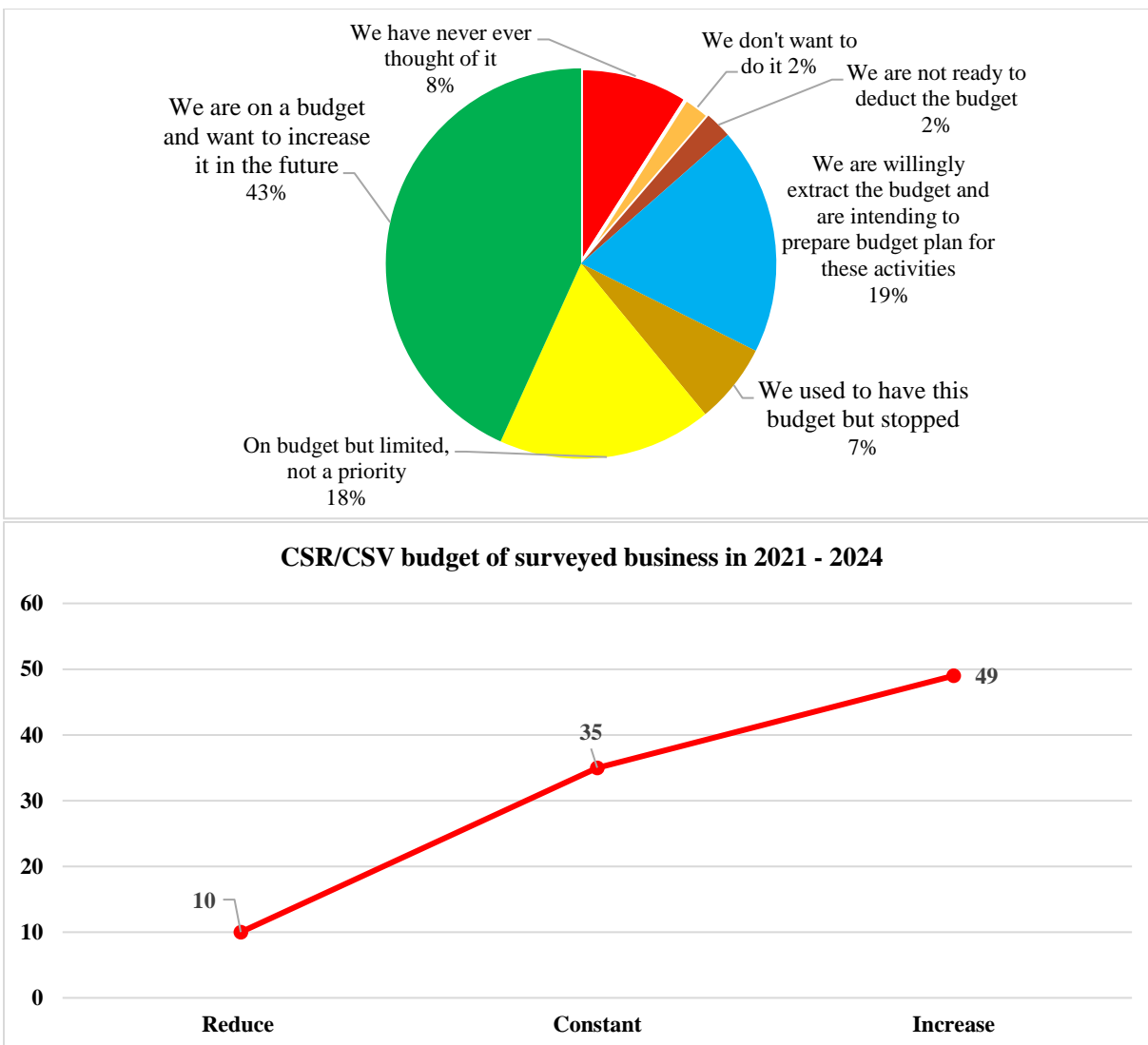
Figure 2.15: Budget for CSR/CSV activities of companies in Vietnam (n=103)

Companies with a higher level of understanding of CSR/CSV have the possibility to have an available budget for these activities 5.25 times in comparison with companies without a clear understanding of CSR/CSV.

"We do not consider CSR/CSV as expenses, but investments. So of course, when it is effective, we increase the investment". (Business key informant 23)

"We have a separate budget for CSR/CSV activities so this budget cannot be used for doing business. It increases years by year" (Business key informant 16)

The majority of surveyed companies respond that COVID 19 turmoil has no effects or triggers an increase in the CSR/CSV activities.
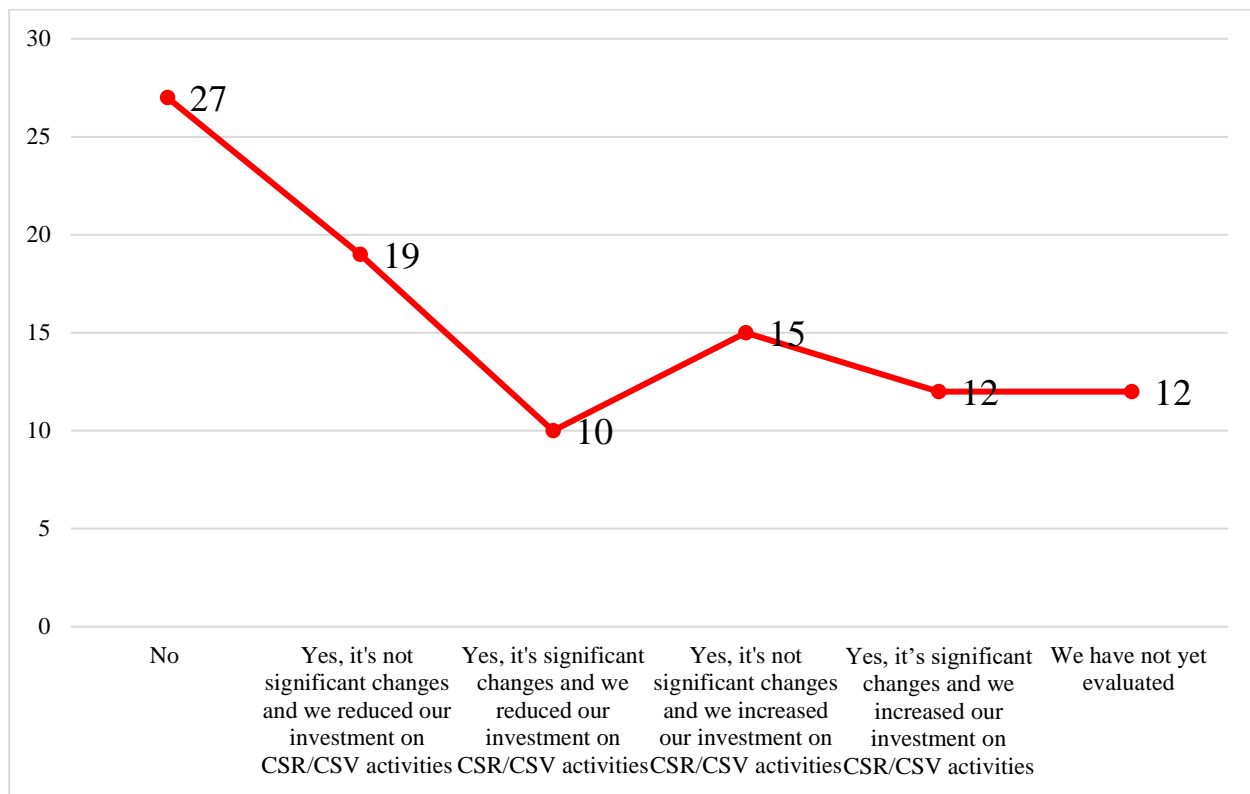
Figure 2.16: The extent to which COVID 19 affects CSR/CSV activities (n=102)

"During COVID years, we meet difficulties in doing business, but we invest more on CSR 3 times as before COVID. We believe that this is meaningful when we pay the business responsibility timely. In addition, this increases our employees' pride about the companies and devote more to overcome the companies' difficult period" (Business key informant 7)

"Though we got lost last year due to COVID pandemic, we still keep the budget for philanthropy activities to remain our efforts" (Business key informant 18)

CASE STUDY: BITIS – Growing investment as LOVE BRAND in the hearts of employees and customers

As one of the largest and a long-standing local business, Biti's is proudly to be loved by several Vietnamese generations as a "National Brand" for footwear. Started in 1982, Biti's has constantly evolved during its 39 years of operation. By 2021, Biti's has successfully cultivated a reputation of prestige and high-quality, constantly embracing innovation, humanity and happiness. With the slogan "Embracing Vietnamese Footsteps", Biti's is also a trustworthy original equipment manufacturer (OEM) or outsourcing partner for several well-known international footwear brands. Our Biti's shoes can be found in Vietnam, China, Cambodia, Laos, Russia and most recently, in the US.

With the attitude of "paying back to the community", Biti's has executed its social responsibility since its early days. At the beginning, considering it as an obligation of businesses, the company only "paid back" through charity and philanthropy activities and not consider it as a strategy to widen its business and brand awareness. However, it turned out that the company gained more than expected. In recent years, Biti's focuses its CSR initiatives on three main areas: (1) supporting underprivileged communities, (2) education and training, as well as (3) environmental protection, with the desire to build a good future for generations to come. With different CSR programs such as Promoting Vietnamese Culture, Happy School, Building water purifying systems for highlanders, Clean drinking water for low-income community, Afforestation and natural regeneration program, and more, Biti's got significant increase in satisfaction, pride and trust from their customers and employees. It has become a BELOVED brand in the heart of employees and customers. Biti's now invests in not only a clear social responsibility strategy but also shared value programs to bring trust, brand awareness, and growth for the business. In fact, these investments could help the company to eliminate any scandals and risks.

To achieve the best results in its CSR/CSV program, the company highly acknowledges the important roles of CSOs and believes through collaboration, both parties can enhance their impacts for the betterment of the society. In 2021 – 2025, Biti's has a plan to widen and invest more in CSR/CSV regardless of COVID 19, it also opens to seek other CSO partners to join together with Biti's to create changes.

2.1.6 Business partnership with CSOs

Businesses seek CSOs as potential partners who are known for the expertise and experiences in the community and social fields. CSOs may know more about the urgent and practical needs of the local area, environment, and climate to implementing effective CSR / CSV activities. Business-CSO partnership can be a short-term collaboration (on-off activity or occasional cooperation) or be a long-term collaboration (permanent campaigns/programs at least 1 year and/or loyal cooperation).

84.16% of **surveyed companies had the intention and willingness to cooperate with civil society** organisations (CSOs) in CSR / CSV activities, in which **half of them** had experience working with CSOs.

Does your company have the intention and willingness to cooperate with CSOs in CSR/CSV activities? (n=101)

- 46,53% — Willingly, we have ever cooperated
- 15,84% — Willingly, we are planning to cooperate
- 21,78% — Willingly, we have not yet planned to cooperate
- 1,98% — We cooperated but no longer do it
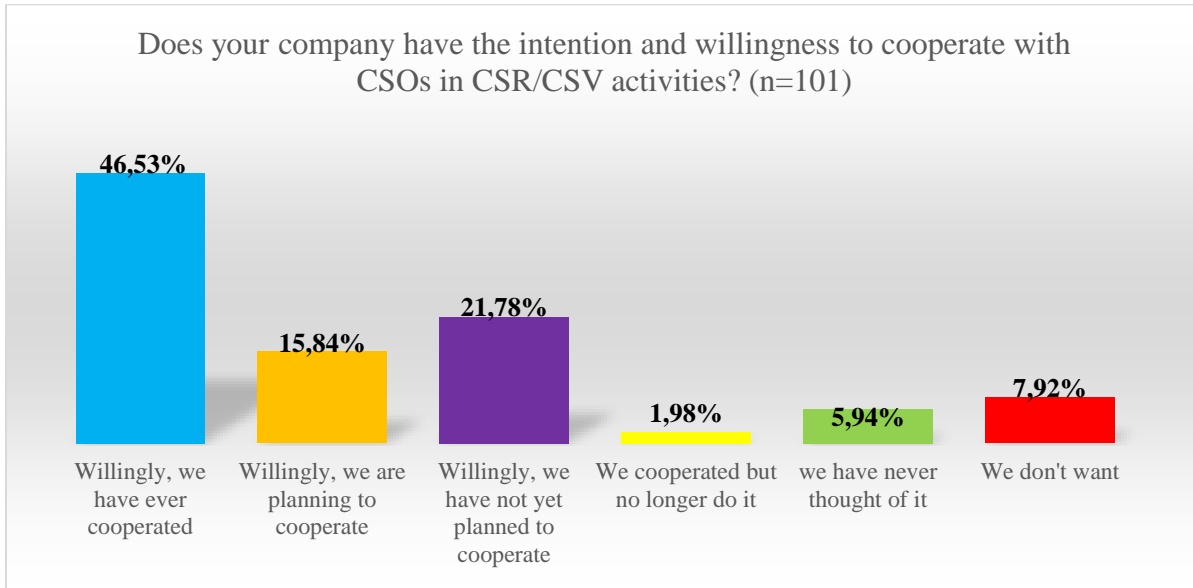- 5,94% — we have never thought of it
- 7,92% — We don't want

Figure 2.17: The willingness of surveyed companies to cooperate with CSOs in CSR/CSV activities (n=101)

In collaboration with CSOs, surveyed companies highlighted the top three SDG priorities including SDG 4 (Quality education), SDG 3 (Good health and well-being), SDG 13 (Climate action) (see Figure 3.14). It's feasible that "Education" is the second focused operation area of CSOs (see Figure 1.2). Moreover, the improvement of education and well-being services towards youths and/or employees will be likely to directly impact on the human resources of company that is one of three main factors building the business sustainability. It's of ease to understand that climate change is in the top three SDG priorities as it is the urgent mission of every country on every continent. Following these top three SDG priorities, SDG 8 (Decent work and economic growth) and SDG 6 (Clean water and sanitation) appear as the fourth and the fifth SDG issues that surveyed enterprises would like to implement CSR/CSV activities with CSOs. These two goals have become more urgent than ever due to the Covid 19 since both the labour market and the economic development are heavily influenced and also, to build back better after the Covid 19, we definitely need to deal with Clean water and sanitation (SDG 6).

CASE STUDY: Damen Song Cam - More than a CSR programme

Damen Song Cam is a joint venture between Damen Shipyards Group from the Netherlands and Song Cam Shipbuilding Joint Stock Company, part of Shipbuilding Industry Corporation from Vietnam, located in Thuy Nguyen District, Hai Phong City. From a starting point, as requested by its foreign investor, FMO, Damen Song Cam must have Environment and Social plan to be eligible for the loan. Thus, to ensure the compliance, Damen Song Cam had initiated series of community support days annually on which Damen employees could help repair houses for the disadvantaged local households, donate the playground for children in public areas, clean the beach, etc. Particularly, Damen Song Cam had cooperated with two local NGOs (MSD and CISDOMA) in implementing 2 initiatives (1) raising awareness and education for local people, including local children on waste collection and classification, and (2) children sexual abuse protection and response. Given NGOs' expertise on subject matters and community engagement approach coupled with the willingness and contribution of Damen Song Cam

staff to share shipyard's values to the projects, the projects have generated significant **outcomes which transform the CSR program go beyond compliance**. Specifically, CSR activities have then mainstreamed in their business development strategy without any external pressures but the company's will. Furthermore, it is a part of the plan for achieving SDGs of Damen Song Cam aligned with Damen Group strategy. Also, the company is keen to continue joint efforts with relevant CSOs in implementing their CSR strategy. They highly appreciate CSO's subject matter expertise and approach which helps the company CSR activities generate the highest outcomes which can create social impacts for the local communities.

Focus SDGs that surveyed business wants to cooperate with CSOs (n= 101)
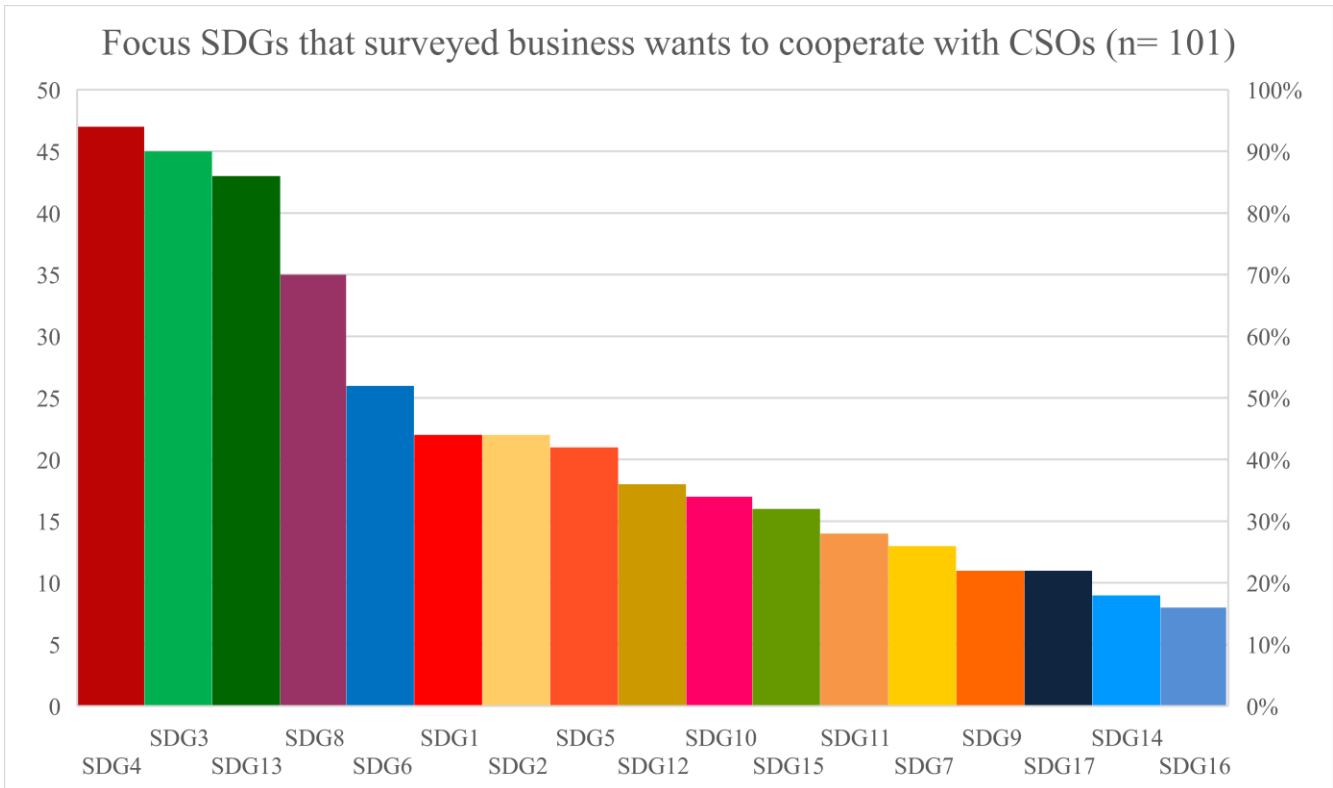
Figure 2.18: SDGs priorities in cooperation with CSOs from the view of companies in Vietnam (n=101)

55% of business respondents (among 101 companies in Vietnam) expressed their interest in joining in "Win-win for Vietnam" project, 34% showed that they will take this idea into account (group 1) and the rest of 11% of companies were not ready to join with "Win-win for Vietnam" (group 2). The key reason is that both group 1 and 2 would like to do CSR/CSV by themselves. Regarding group 1, their main partner in CSR/CSV activities is departments and organisations (Women's Union, Youth Union, etc.) while group 2 usually cooperated with the government to implement their CSR/CSV practices. The shift from a traditional partnership (business's current partner) to CSOs partnership regarding both groups certainly takes time and effort to happen. In addition, the challenges inhibiting business-CSOs partnership will be shown in the next graph.

Advantages and Disadvantages for business in cooperation with CSOs to implement CSR/CSV activities (n=101)

Category	Advantages	Challenges
Communication performance	85,15%	14,85%
Improving business transparency and accountability	81,19%	18,81%
Improve the awareness/participanation of business employees in CSR/CSV activities	82,18%	17,82%
Tax exemption - refund	62,38%	37,62%
Sustainability	52,48%	47,52%
Performance and cost	51,49%	48,51%
Social impact	79,21%	20,79%
Administrative procedures	39,60%	60,40%
Stakeholder networking development	87,13%	12,87%
Government recognition and endorsement	81,19%	18,81%

■ Advantages ■ Challenges

Figure 2.19: Advantages and Challenges in cooperation with CSOs from the view of companies in Vietnam (n=102)

From the business's perspective, the advantages have much outweighed the challenges among most of the surveyed factors (Figure 2.19). The top advantages of cooperation with CSOs are (1) Expanded network connectivity with stakeholders; (2) Enhanced communication performance; (3) Improved the awareness/ capacity or participation of business employees; (4) Improved transparency and accountability (81.19%); (5) Recognition of government agencies; (6) Creating an effective social impact. All of these advantages were voted by around and more than 80% of surveyed companies.

60.4% of business respondents perceived Administrative procedures as the most challenging factor in cooperation with CSOs to implement CSR/CSV activities in Vietnam. It's of ease to understand the situation that nearly half of companies take into account the costs and the benefits (Performance and cost – 48.51%) and also the amount of Tax exemption – refund (37.62%) for the CSR/CSV practices with social organisations as the challenges. Interestingly, the "Sustainability" of CSR/CSV activities was fairly perceived as both an advantage (by 52.48%) and a difficult factor (by 47.52%). This indicates that surveyed companies have paid more attention to do and strategize CSR/CSV activities in a more sustainable way.

Considerably, through business interviews, some companies expressed their viewpoints of not willing to pay for the administration fee of CSOs or would like to reduce it as much as possible as they would like to invest all of their donations to the communities. Some business after working with CSOs to outreach the communities, then stop the partnership and work directly with the communities to cut down the administration fee of CSOs.

"After working with L. (a Vietnamese NGO) we could outreach the children in a shelter. Then our staff discussed why we have to pay to L. for their administration fee, it is complicated. Now, we know the shelter so we work directly with them to help disadvantaged children there". (Business key informant 18)

"Our employees always join with our CSR/CSV activities so now they are confident with social works. We think CSOs can transfer knowledge and tools for us, then we can do it by ourselves. In this way, we can work directly with beneficiaries and also cut down the administrative cost" (Business key informant 28)

Key determinants for enterprises to partner with CSOs in CSR/CSV/SDGs activities are (1) CSO's professionalism, (2) transparency and accountability, (3) KPI performance, and (4) strategic communications capability.
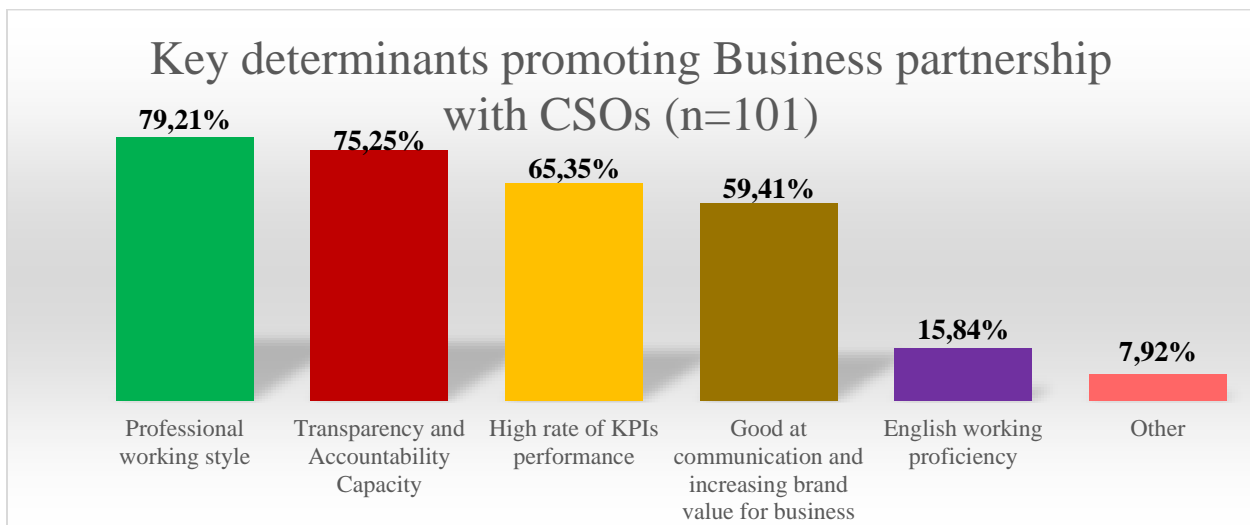

Figure 2.20: Key determinants promoting Business Partnership with CSOs

When business and CSOs joining together, in business' experience, "Transparency and accountability" becomes the first determinant to maintain the relationship, then the high rate of KPIs performance and

professionalisms, and the communication capacity. They are also the reasons the business reducing partnership with CSOs.
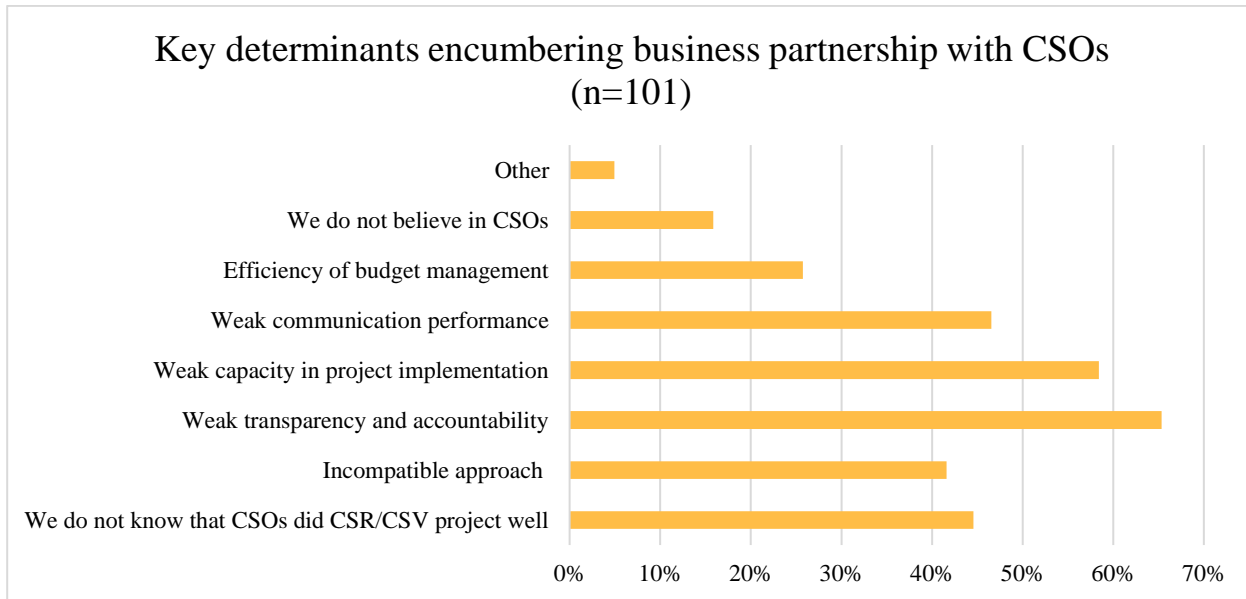

Figure 2.21: Key determinants reducing Business Partnership with CSOs

It is interesting that through interviews, many businesses complained about the communication capacity of their CSOs partners, and through both survey and interview, in their perspectives, brand value is the top driving force of companies to do CSR/CSV, they did not find it as the top motivation to work and maintain a relationship with CSOs. ***Businesses would like to find and maintain the relationship with CSOs*** not as communication agencies but ***trust partners with social impacts created***.

"Our CSO partners are weak at communication. We even helped them to build website and communication materials, but they are good at delivery social works, so we will continue to work with them" (Business key informant 20)

"Communication is the expertise of Marcom agencies so we work with them to promote our brand values. We are seeking CSO partners who can help us connecting with different stakeholders, budling our community's trust and can create great social impacts – these are key competencies of CSOs" (Business key informant 25)

Through the interview and group discussion/consultation workshop, there were some effective recommendations for CSOs and Win-Win project to promote Business – CSO Partnership in promoting CSR/CSV as below:

(i) CSOs should be communicated more to outreach business in more friendly ways: CSOs and NGOs seem to be sensitive terms, and businesses do not understand what are CSOs or NGOs, social organisation, or philanthropy organisation may be easier to understand.

*"Wh**en** a CSO came to introduce "I work for an NGO", the business may not understand your works for disadvantaged people but you are "non-government" - against the government so the business is worried to work with as they do not want to related to political issue" (Business key informant 14)*

(ii)   CSOs should improve their capacities or network with each other to provide professional and comprehensive social services to fill the demands of the communities.

"The community has complex demands, when the business partnership with CSOs, we expect that they can deliver social services to fill the demand gaps of the communities, but each CSO can only have the expertise and meet one or two demands of the communities. So, with different projects, we have to find and work with different partners and these partners work separately but cannot complement to each other" (Business key informant 23);

(iii)   CSOs should have a concrete strategy and plan to cooperate with business rather than only case-by-case.

"CSOS should think more about how to provide professional social services to business. CSOs should also have a strategy and plan to work with business as partners, not only funders for their activities" (Key informant in group discussion);

"CSOs now only provide available services to business rather than together with us to design a joint effort in addressing the community's needs. CSOs should understand what businesses need from them" (Business key informant 23);

"If CSOs only have some cases to cooperate in an "on-off" style, it is difficult to build a long-term partnership with us (business). CSOs should have a clear strategy to attract us to jointly invest with them, the mutual benefits should be clear at the beginning". (Business key informant 8).

2.1.7. Recommendations from Business to promote CSR/CSV and to the Win-Win project

To enhance CSR/CSV practices in Vietnam, the **most effective** driver is to **raise awareness** on CSR/CSV activities and SDGs for companies through general **communications** and social media. The next factor attracting companies is **Independent evaluations and certifications** for their effective performance. In addition, the initiative to **connect business with social organisations** and to **build a business network** with the one having similar interests **in good CSR/CSV and SDGs**, towards SDGs received the same support from the respondents. In particular, surveyed companies in Vietnam relatively like to **connect with the government, local authorities**.
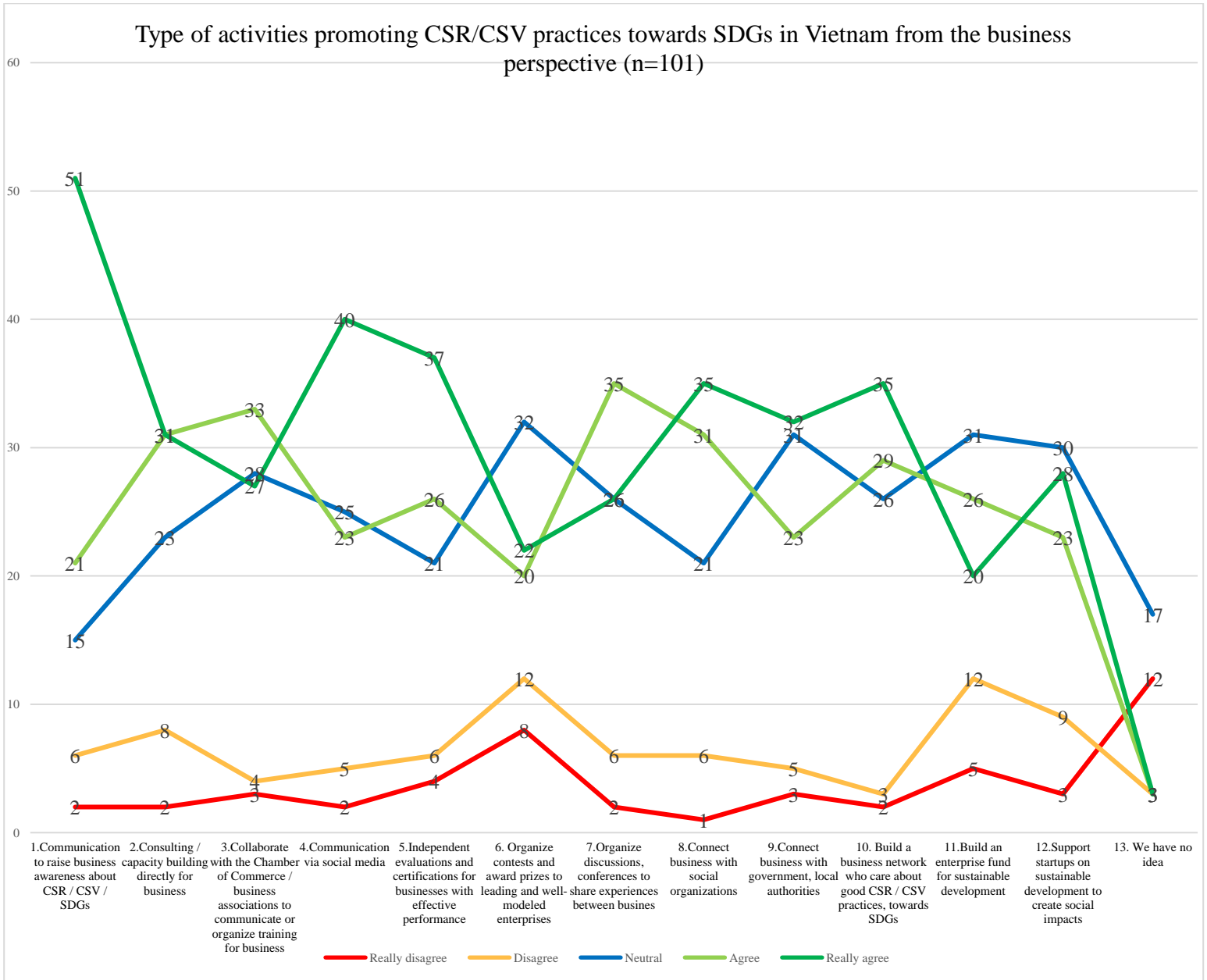
Figure 2.22: Preferred initiatives to promote CSR/CSV practices from the view of companies in Vietnam (n=102)

Likewise, organising **the contests and award prizes** for leading enterprises in good CSR/CSV practices is the less effective solution to promote CSR/CSV activities by the surveyed companies. The second less attractive idea is to build **an enterprise fund** for sustainable development. This finding implies that surveyed companies prefer a business network that is not for building a contributing fund CSR/CSV.

Key informants in both interviews and group discussion (consultation workshop) express their agreement to the findings and highlighted the solutions of **communication, capacity building for both business and CSOs, and more connection opportunities**. In addition, some recommendations are made to the project as below:

(i)   Develop a database of CSOs for businesses to cooperate with.

"I know some CSO list/database but not enough, the classification is poor or there are only CSOs from the South" (Business key informant 7).

"The CSO database should be a White Paper to help businesses to find partners in different areas or regions. For example, we would like to invest in Forest but we do not know good CSO players that we can work with. The CSO database must be friendly with not only a contact list but detailed information to help us understand their strategy, approach, solution so that we can make the decision to work with" (Business key informant, Group discussion).

(ii)   Organize connections between CSOs and Business in thematic themes or sectors.

"We have too many general CSR workshops already. We should have specific thematic them small workshops on helping children, education, healthcare, growing trees, plastic issues, etc, to connect CSOs and business with specific interest to meet and match with each other". "We can also organize meet and match workshops with specific sectors – for example, banking and finance companies may have similar demands can meet with CSOs working on micro-finance, economic empowerment for poor people, etc. The important thing here is how to map the shared demands of companies". (Key informants, Group discussion).

(iii)   Develop an eco-system for CSR/CSV Partnership not only for Business and CSOs only but other actors of government, media, etc.

"Partnership is now key for achieving SDGs, the partnership here should include 3 key players of Government – Business – CSOs to promote the effective joint efforts. CSOs are in a very good place to connect and help create the partnership. Media is important to join in, too". (Business informant 25)

2.2 Civil Society Organisation Perceptions

2.2.1   CSO's Awareness and Practices on SDGs-related issues

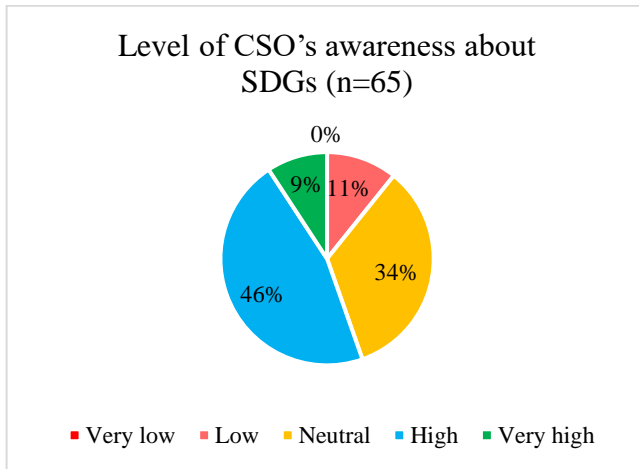*(i)*   *The extent to which CSOs perceived SDG related issues*

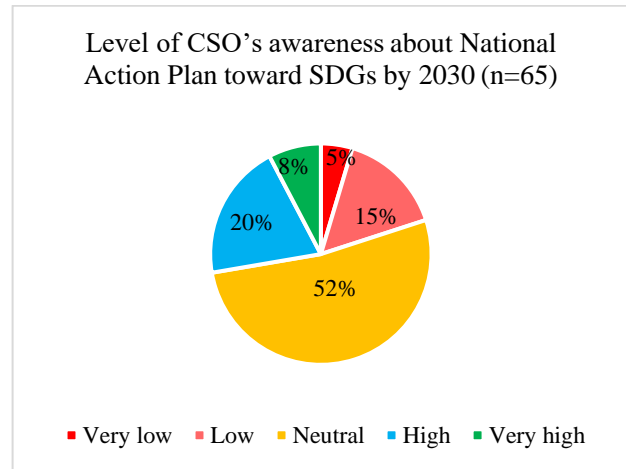**Figure 2.23: Level of CSO's awareness about SDGs (n=65)**

Figure 2.24: Level of CSO's awareness about National Action Plan towards SDGs by 2030 (n=65)

There was a fair correlation between business and CSO respondents in their own perceptions on SDGs. Specifically, CSOs perceived SDG related issues at a high level of awareness with **around 60%** of respondents, with about 10% perceived themselves have the highest level of SDG awareness. About 3 out of 10 CSOs rated themselves with a fair understanding on SDGs and just 1 in 10 CSOs marked their awareness at a low level-weak awareness. **There remains a certain gap between the awareness of SDG related issues and that of the National Action Plan by 2030 of the Vietnamese government**. More than half of CSOs had a fair level of understanding about the national agenda, nearly 30% well perceived, and around 20% at the level of "low" and "very low" of the national agenda. **Most of CSOs, who perceived their knowledge on the National Agenda Plan at a "very low" or "low" level, rated themselves at a "neutral" or "low" level of awareness on SDGs.** This indicates a gap in the execution and dissemination of the national agenda on SDGs implementation, including specific indicators and monitoring and evaluation tools. It well resonates with the reality that a national report on sustainable development in Vietnam was first developed by the Ministry of Planning and Investment in late 2020. Representatives of CSOs were also consulted during the report development process.

The first and second prioritised SDGs expected to be contributed by CSOs (n=65)
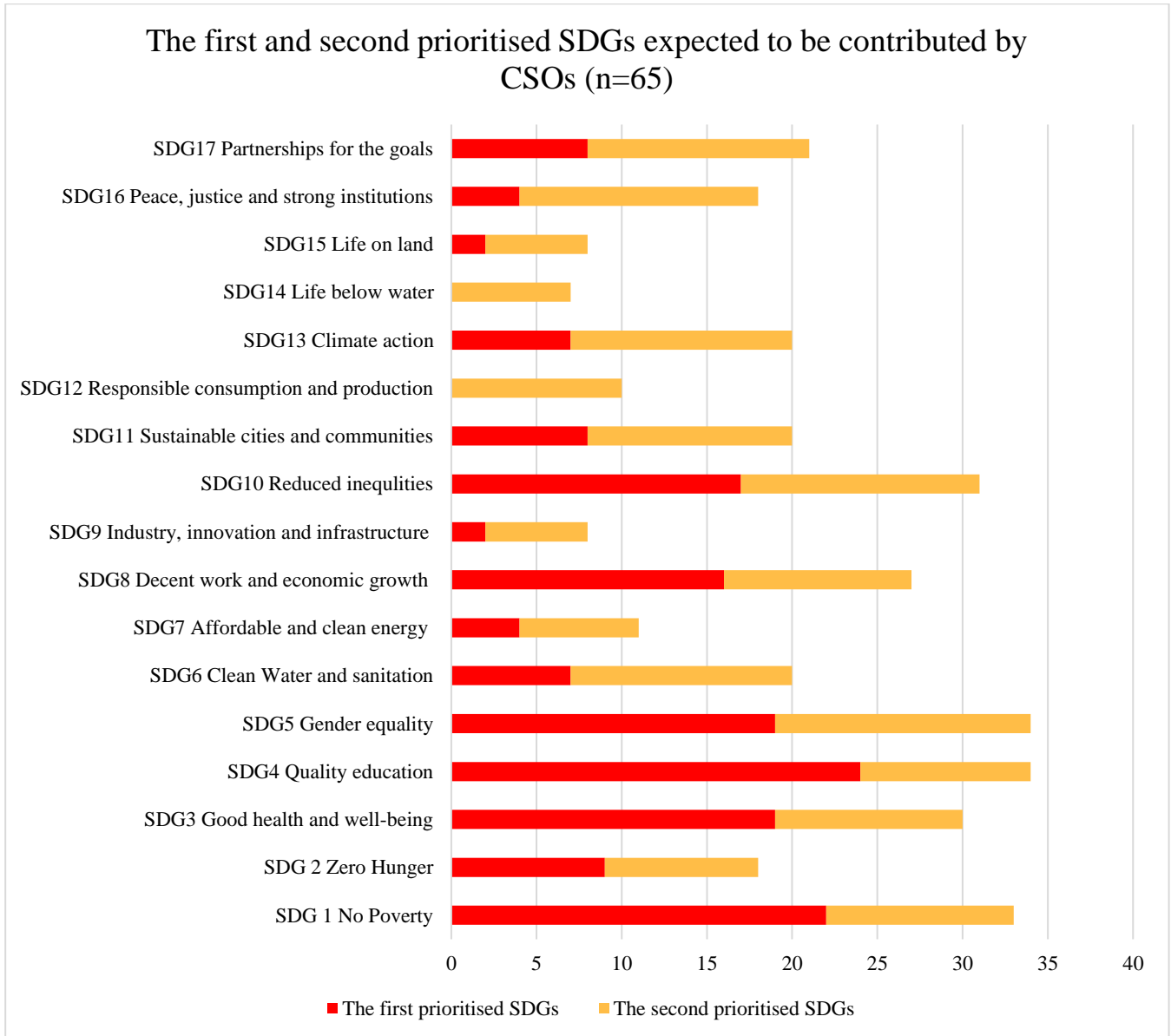
Figure 2.25: The first and second prioritized SDGs expected to be contributed by CSO (n=65)
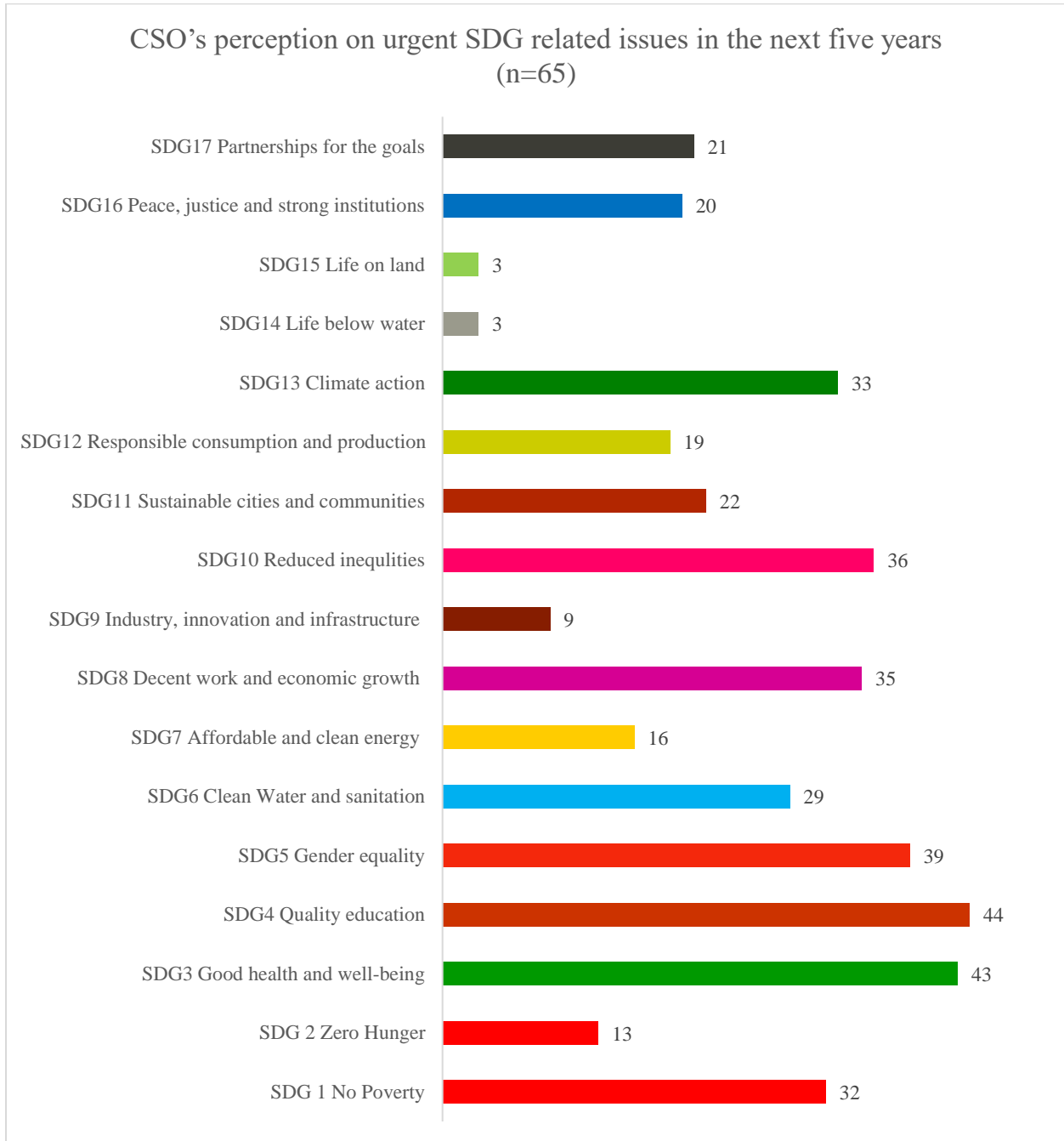
Figure 2.26: CSO's perception on urgent SDG related issues in the next five years (n=65)

It can be seen another fair correlation in SDG priorities perceived by CSOs and businesses. **As such, SDG 3, SDG 4, SDG 8, SDG 13, and SDG 17, as illustrated in Figure 2.25, are at the top level of CSO's priorities**. Other than that, CSOs also have big concerns about SDG 1, SDG 5, SDG 10, and SDG 11. Likewise, CSO's envisioned that in the next five years, more urgent efforts should be made to address issues related to SDG 1, SDG 3, SDG 4, SDG 5, SDG 8, SDG 10, and SDG 13.

(ii) CSO's practices to contribute to SDGs: SDGs, in one way or others, were mainstreamed in the CSO's strategic activities and partnership.

Figure 2.27: CSO's actions toward achieving SDGs

Figure 2.28: Results generated by CSOs during the period 2016-2020

Program/project-based initiatives in partnership with related stakeholders accounted for more than 80% of CSOs' efforts in realizing SDGs. This approach has been well-known and ultimately tied with CSO's strength and reputation for years. In the new context, CSOs paid more increased attention to other actions, including organisational capacity development (approximately 66%), partn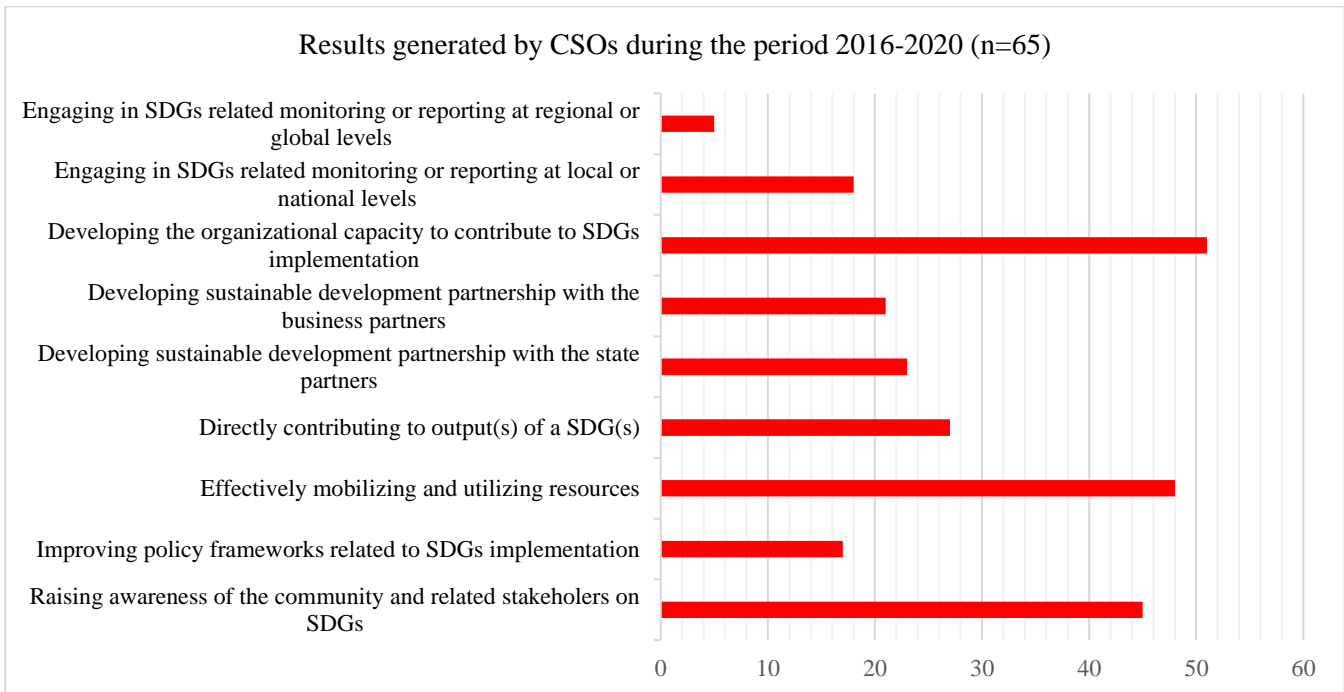ership development (approximately 66%), policy advocacy (approximately 63%), and development of the organisation SDGs overarching programs (approximately 63%). **In addition,** approximately **40% of respondents have integrated SDGs into their business strategy and the same number of CSOs actively initiated practical innovations towards SDG. The action is well correlated with the achievements.** Specifically, **capability enhancements** for better contribution to realizing SDGs, **resource mobilization and allocation**, and **raising awareness of community and related stakeholders about SDG related issues** were top achievements perceived by CSO, accounting for approximately 78%, 73%, 69% respectively. It comes next with results on direct contribution to specific SDGs (approximately 41%), better sustainable partnership with state-related stakeholders, and businesses with more than 30%.
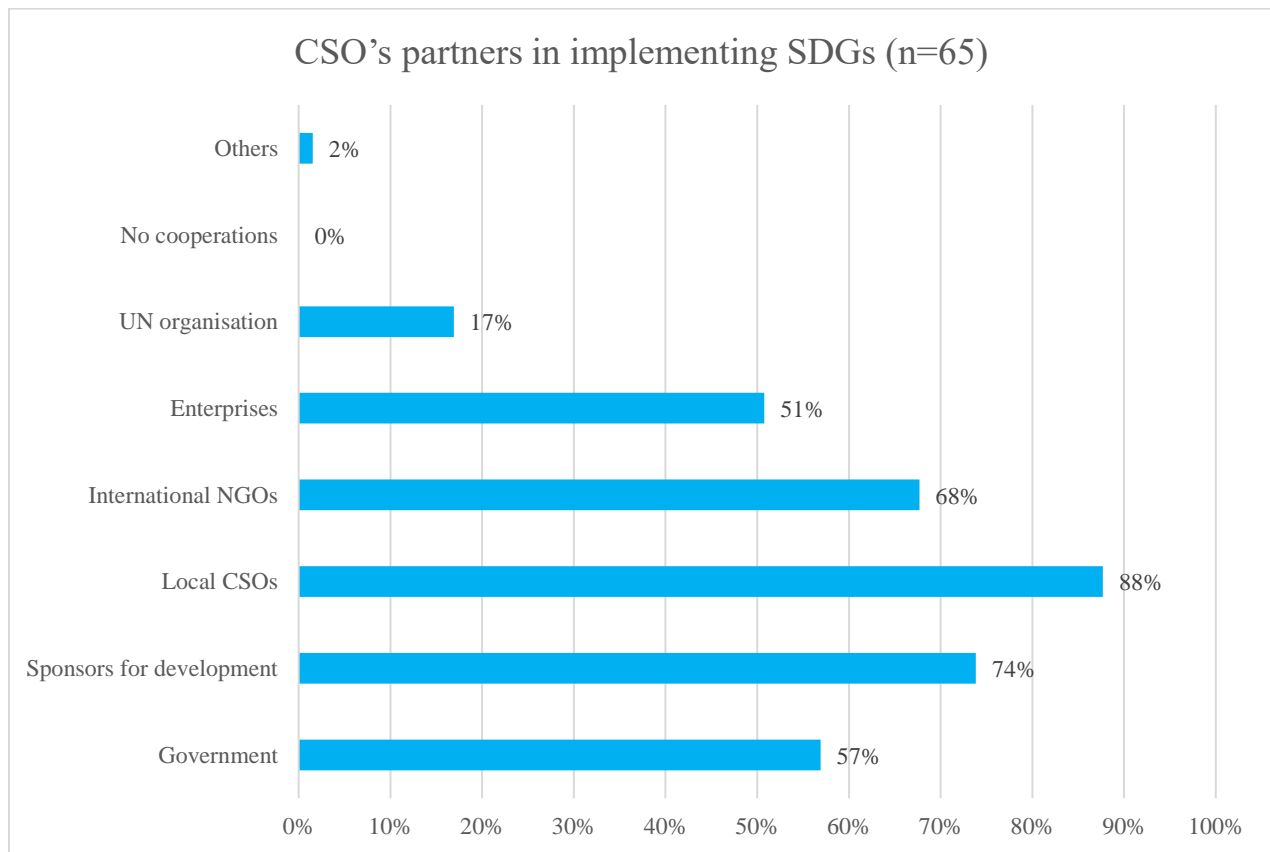
Figure 2.29: CSO's partners in implementing SDGs (n=65)

Interestingly, 90% of Vietnamese CSO respondents perceived local CSOs as their partners in implementing SDG related initiatives. This finding would be a shred of breakthrough evidence for a new "trend" of peer partnership for joint efforts for a better generation of overarching outcomes. International development agencies and international non-governmental organisations (INGO) were partnered by around 70% of the CSOs. **Nearly 50% of the responded CSOs partnered with businesses and related state management agencies**. (Given the afore-mentioned purposes of the survey, the next

part discusses further the partnership between business and CSO sectors in addressing SDG related issues). **Just about 15% of the CSOs had cooperation with UN agencies**.

(iii)   Perceived advantages and challenges in implementing SDG related issues
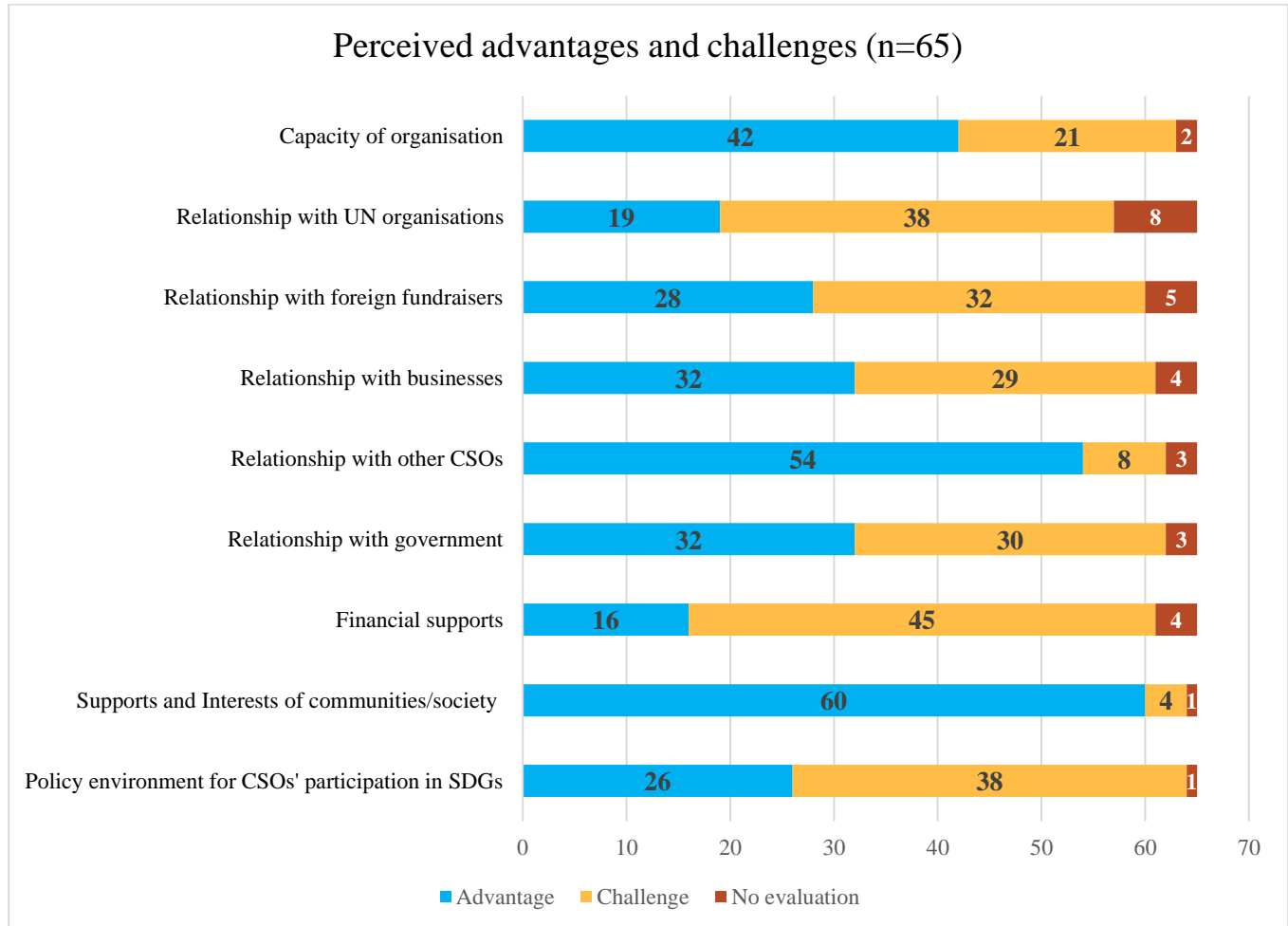
Figure 2.30: Perceived advantages and challenges (n=65)

As depicted in Figure 2.30, **organisation capability, partnership with other CSOs, and support and interest from the community are the most significant advantages** perceived by CSOs. This finding is well equivalent to the achievement and partnership status quo of CSOs as mentioned earlier. Meanwhile, relation with UN agencies, funding resources, policy ecosystem for CSOs engagement in SDG related issues, relation with international donors, relation with state agencies are perceived as key challenges for CSOs. **Interestingly, the partnership with businesses was equally weighted in terms of both advantages and challenges for CSOs**. This finding was elaborated more in the in-depth interview and discussed further in the next part.

Constraints perceived by CSOs as an actor in SDG 17 (n=65)
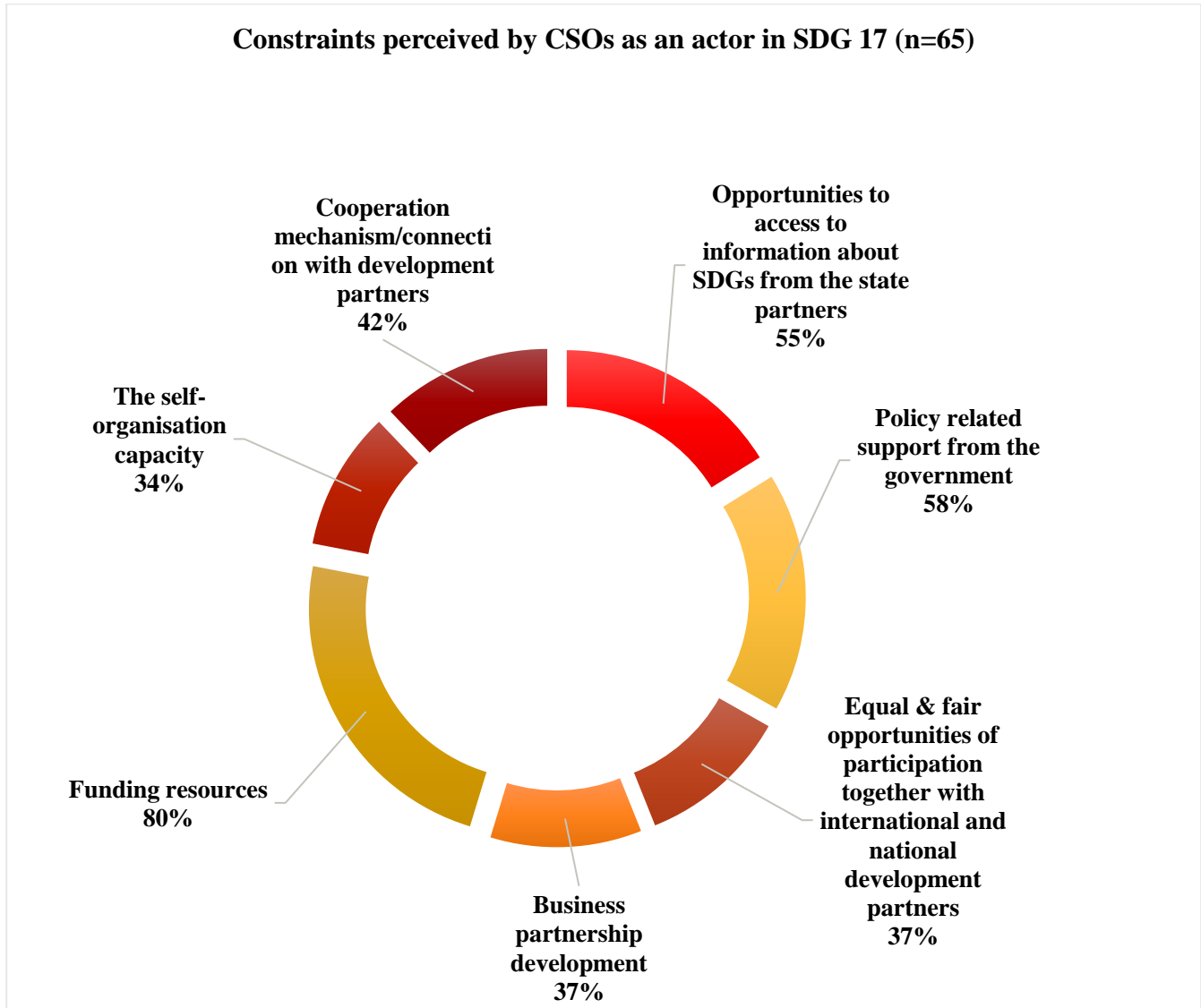
Figure 2.31: Constraints perceived by CSOs as an actor in SDG 17 (n=65)

Regarding SDG 17 – partnership for the goals, as an actor in the partnership, **80% of CSO respondents perceived funding as the most concerned constraint**, then two constraints, including **access to SDG related updates from state partners and policy support from the government were perceived by around 60% CSOs**. This finding reaffirms the above result that a limited number of CSOs perceived themselves have a good understanding of the national agenda of SDGs implementation. Other constraints were faired perceived by more than 30% of the respondents. **Particularly, business partnership development was perceived as a constraint by about 37% of the CSOs**.

2.2.2 CSO's partnership with Businesses

(i) *How CSOs perceived their partnership with Businesses?*
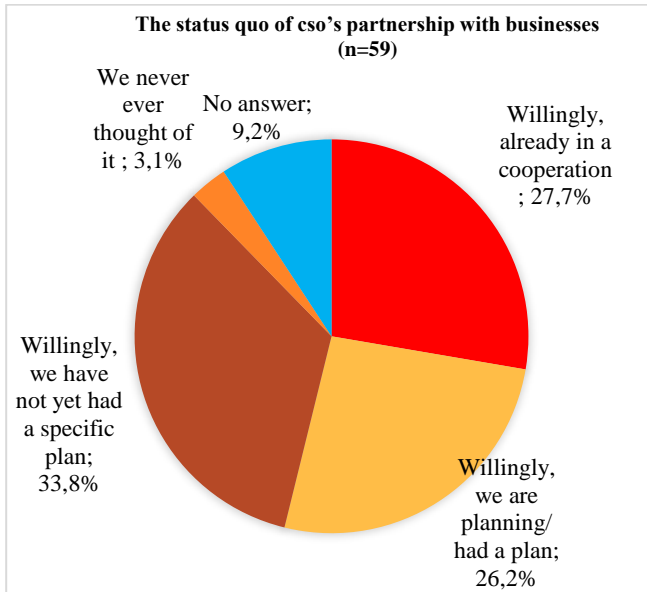
Figure 2.32: The status quo of CSO's partnership with businesses (n=59)
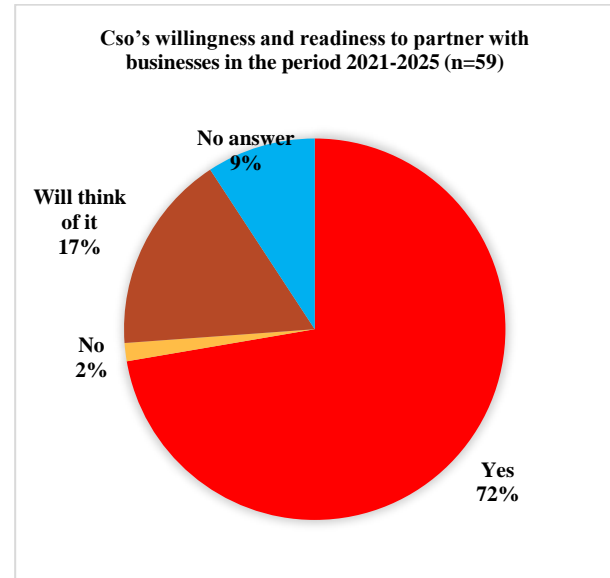
Figure 2.33: CSO's willingness and readiness to partner with businesses in the period 2021-2025 (n=59)

Almost all CSOs, around 97%, expressed their strong willingness for and interest in partnership with business in realizing SDGs. About 7 out of 10 CSOs have been collaborating with businesses, at different levels of partnership; 8 out of 10 CSOs expressed their readiness to partner with businesses in the period 2021-2025; every 2 in 10 CSOs would need more time to think of the collaboration with businesses.

This finding was further elaborated on during the interview with local CSO key informants. As such, all of the interview respondents affirmed the critically important role of the business in the sustainable development course of Vietnam apart from the government and the CSO. Thus, it was said by the CSO leaderships that the CSO-business partnership is indispensable.

"The engagement of the business sector in addressing social, community, and environmental issues together with CSOs and the government has become a remarkable paradigm which is seen to best accelerate SDGs. Given the business advantages in terms of finance and human resources, this sector would well cooperate with the CSOs to create social impacts" (CSO key informant 1)

"Sustainability is important for both CSOs and enterprises. For the sake of enterprises, sustainable development should be integrated into their business through CSR/community engagement activities. From CSOs' perspective, the engagement of the business sector reflects their approach of multi stakeholders' joint efforts to addressed social and environmental matters. This approach is far different from that in the past when CSOs perceived sustainable development as just a matter of CSOs and the government. In the new contact, the CSO-business partnership is a positive breakthrough change in the awareness of both sectors in the sense of recognizing the strengths of the other party in realizing SDGs" (CSO key informant 2).
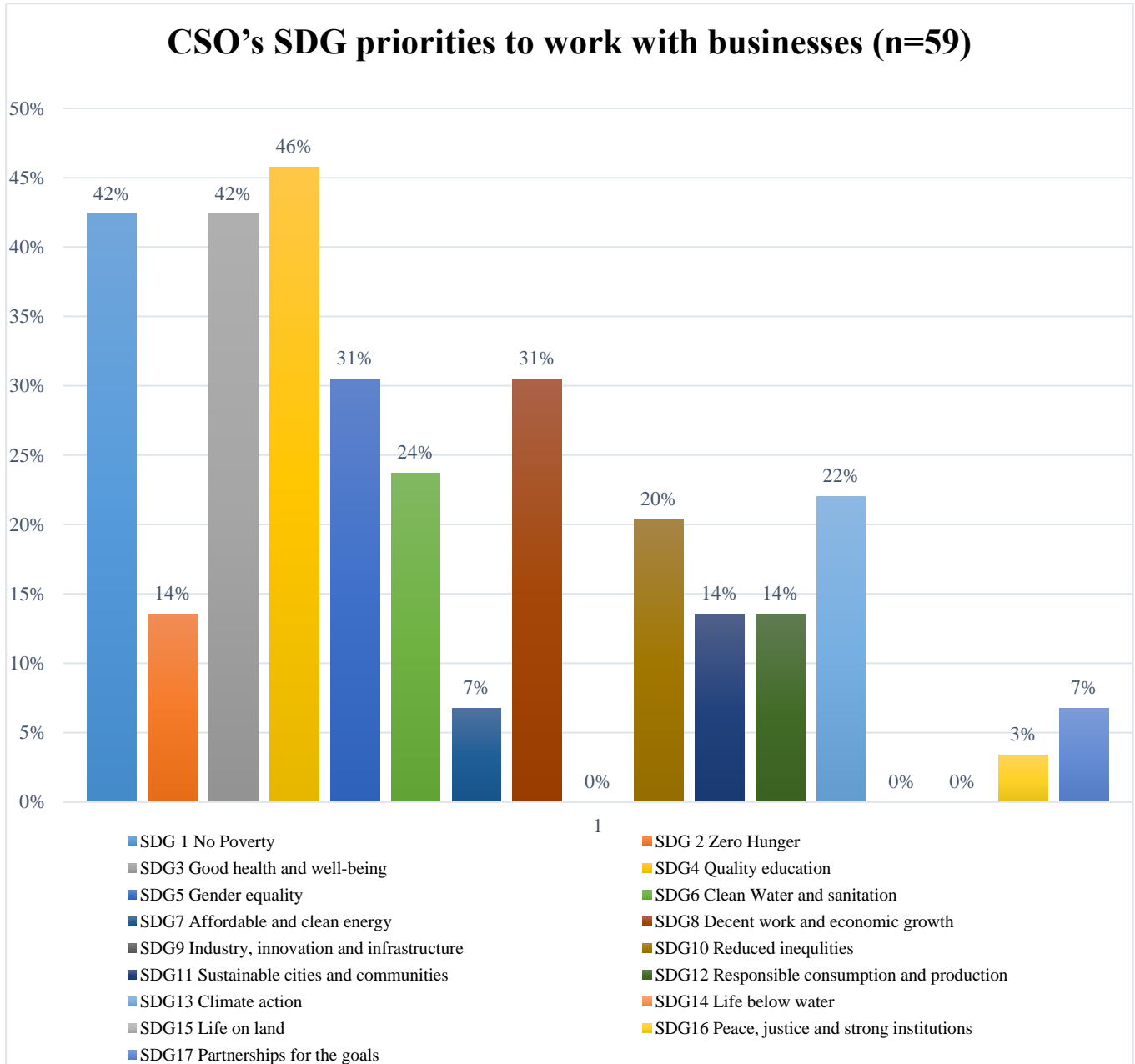
Figure 2.34: CSO's SDG priorities to work with businesses (n=59)

SDG 4, SDG 3, SDG 1, SDG 8, SDG 5, SDG 13 were prioritized by most of CSOs in seeking partnership with businesses. This finding is completely correlated with the individual perception and interest of both businesses and CSOs in SDGs**. Except for SDG 17, while it was perceived as one of the urgent goals that need to be prioritised by both businesses and CSO in the coming years, it was not the key priority in CSO strategy to seeking partnership with businesses.** This finding opens up great potentials for the partnership as the priorities of both sectors are 80% resonated with each other and also make CSOs re-think the importance of SDG 17 in building partnership strategy with the businesses.

(ii) ___Shared values or a win-win partnership___
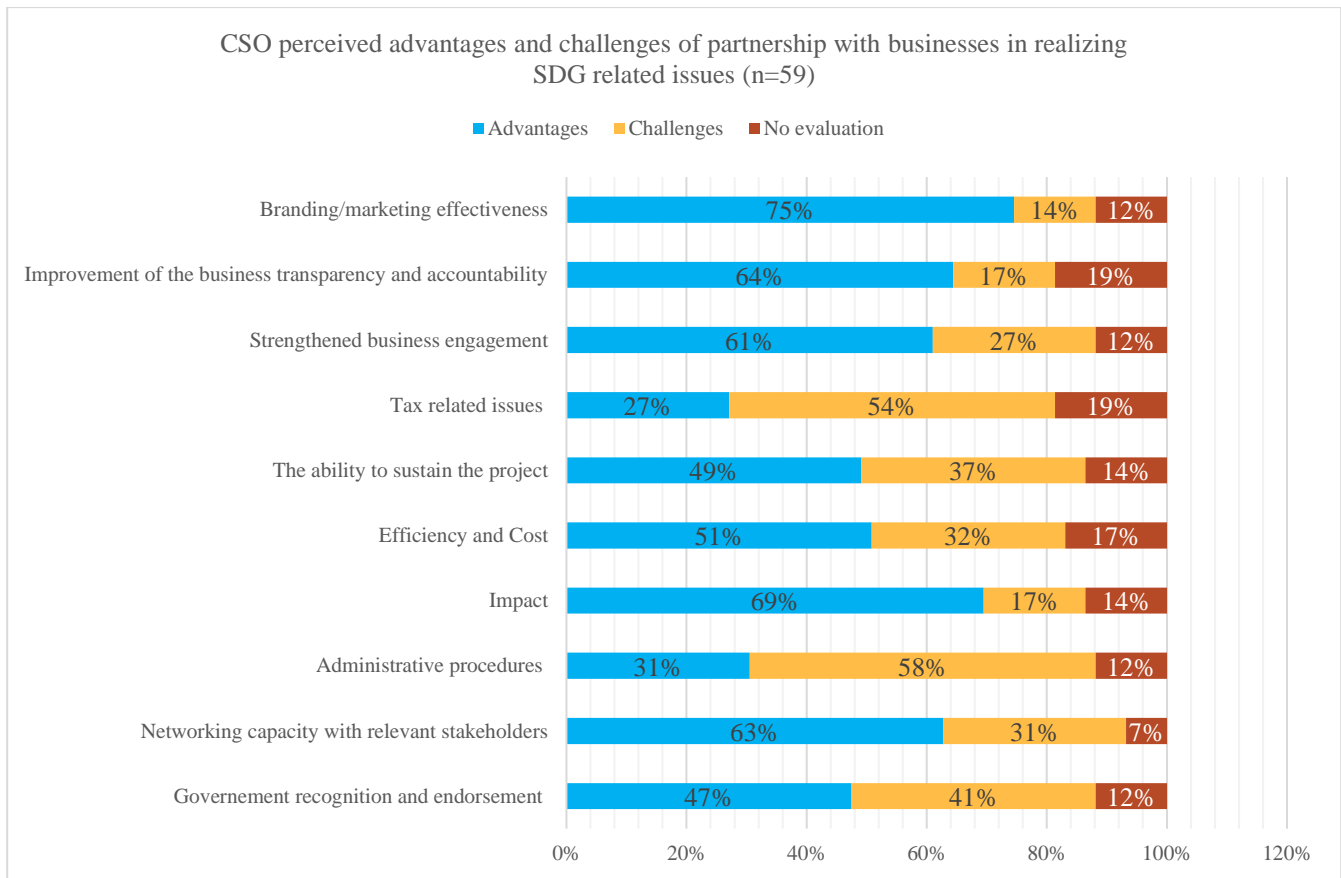
Figure 2.35: CSO perceived advantages and challenges of partnership with businesses in realizing SDG related issues (n=59)

From the CSO's perspectives, values shared with businesses including **Branding/marketing effectiveness, Improvement of the business transparency and accountability, strengthened business engagement, Impact, and Networking capacity with relevant stakeholders were outstanding advantages.** In other words, most of CSOs perceived those as their strengths to generate these values for businesses in the partnership effort. **Administrative procedures and Tax-related issues were rated as the two most significant challenges for CSOs.**

Interestingly, key CSO informants also pointed out these as main advantages and challenges in their experience working with the business:

"We well position ourselves with significant strengths to best create shared values with the businesses. For example, we are proud that we have wide networking, communication strengths, and specific technical know-hows" (CSO key informant 1).

"When several brands joined us in organizing a public event, it's clear that we had more funds for the event and the brands' public image was enhanced a lot thanks to the success and impact of the event. In this sense, we both shared and generated benefits" (CSO key informant 3).

"We consistently use the participatory approach in implementing development initiatives. Specifically, all relevant stakeholders can be engaged and consulted in the planning for the development process to ensure the highest accountability and transparency. We shared this approach with all of our partners, including the business, and were appreciated. The businesses that have worked with us recognized that our strengths would help them save much more resources than they do the initiative by themselves." (CSO key informant 2)

"Communication is one of our significant advantages. We adopt the marketing communication approach in seeking partnership with the business. This would help us reach good consensus with the business in a faster manner." (CSO key informant 4).

"The difficulties in the partnership that we experienced mostly related to the delay of implementation given that it took much time taken to address all the administrative procedures of both sides with different layers of approval" (CSO key informant 2).
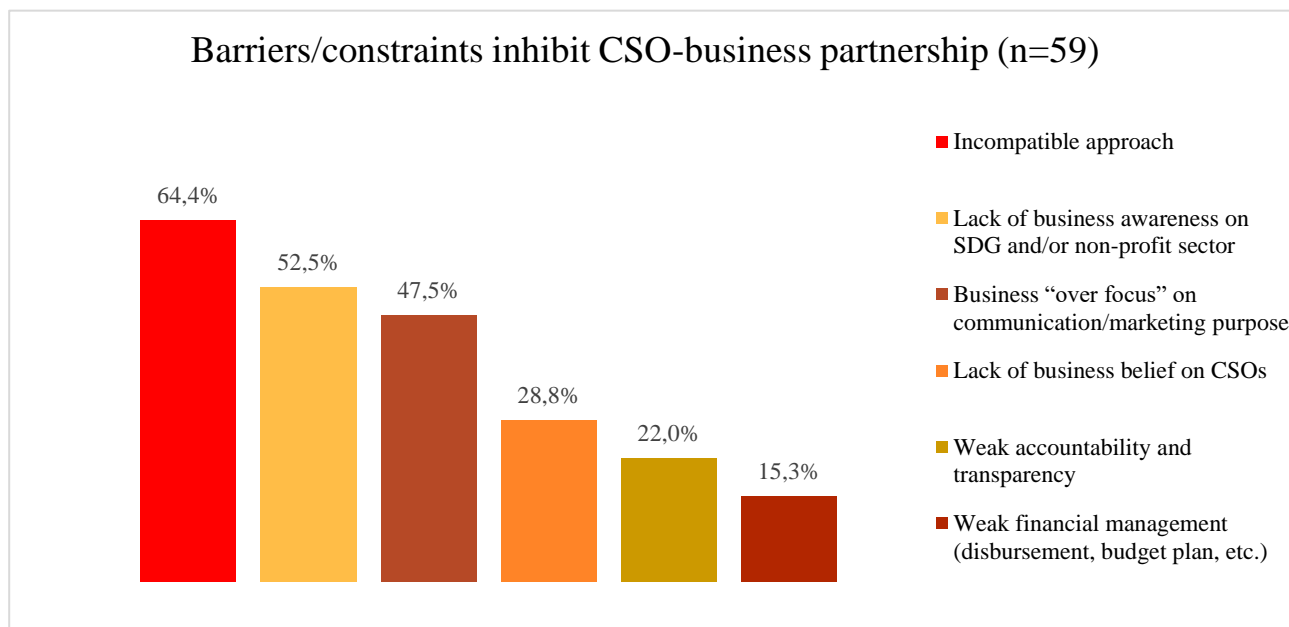
Figure 2.36: Barriers/constraints inhibit CSO-business partnership (n=59)

64% of respondents considered incompatible approach is the barrier inhibiting the partnership; 53% of CSO perceived the lack of business awareness on SDG and/or non-profit sector as the constraints; 49% of respondents rate the factor related to the business "over-focus" on communication/marketing purpose.

"Businesses have not truly understood how meaningful the CSR would be to the local community through a partnership with CSOs other than with agencies. The root cause might be they just concern for their marketing purpose instead of the social impacts" (CSO key informant 3).

CASE STUDY: Live & Learn creates shared values with Panasonic

The Center for Living and Learning for Environment and Community (Live & Learn) is a non-profit and non-governmental organisation working in the areas of sustainable education, climate change, and sustainable energy. From a starting point, Live & Learn collaborated with Panasonic in some small activities contributing to the environment protection efforts in Vietnam. Having recognized the organisation's strengths in terms of networking with multiple stakeholders, and technical expertise to create good social impacts, Panasonic has enhanced their partnership with Live&Learn through a comprehensive local environment education initiative which is also under the Panasonic regional framework of sustainable development. Panasonic asked Live & Learn to coordinate with related stakeholders, including local authorities, local women's union, local children, local communities to implement the initiative, that targets to (1) construct recycle playground for children with bins to classify trash for better waste management; (2) raise awareness of the public about sustainable development; and (3) strengthen environmental education. The initiative has been implemented in Dong Anh district, Hanoi – where base factories of Panasonic. This initiative has been implemented for 4 months with significant results appreciated by the local authorities and communities. Through the partnership with Panasonic, Live & Learn reaffirms the critical role of the private sector in the cause of sustainable development in Vietnam, and a successful joint effort between the CSO and private sectors in creating sustainable social impacts.

2.2.3   Recommendations from CSOs for better partnership with Businesses in SDGs-related issues

   i)   CSOs' perspective on how to better partner with businesses in realising SDGs

CSO's perspective on how to better partner with business in realizing SDGs (n=59)

	Totally disagree	Somehow Disagree	Neutral	Somehow Agree	Totally Agree
Establishing a sustainable development fund to support for connecting CSOs and businesses	7%	7%	15%	34%	34%
Building a network of champion CSR/CSV SDG businesses and CSO	5%	7%	15%	39%	34%
Networking events for businesses and CSOs	8%	3%	12%	34%	41%
Organization of sharing events for businesses and CSOs	5%	7%	22%	34%	31%
Recognition of champion businesses in partnership with CSO through awards, festivals, etc.	10%	14%	29%	27%	20%
Social Media	7%	8%	20%	51%	14%
Awareness raising for businesses on CSR/CSV and SDGs	5%	7%	25%	39%	22%
Direct consultation/capacity building for businesses	10%	10%	31%	27%	20%

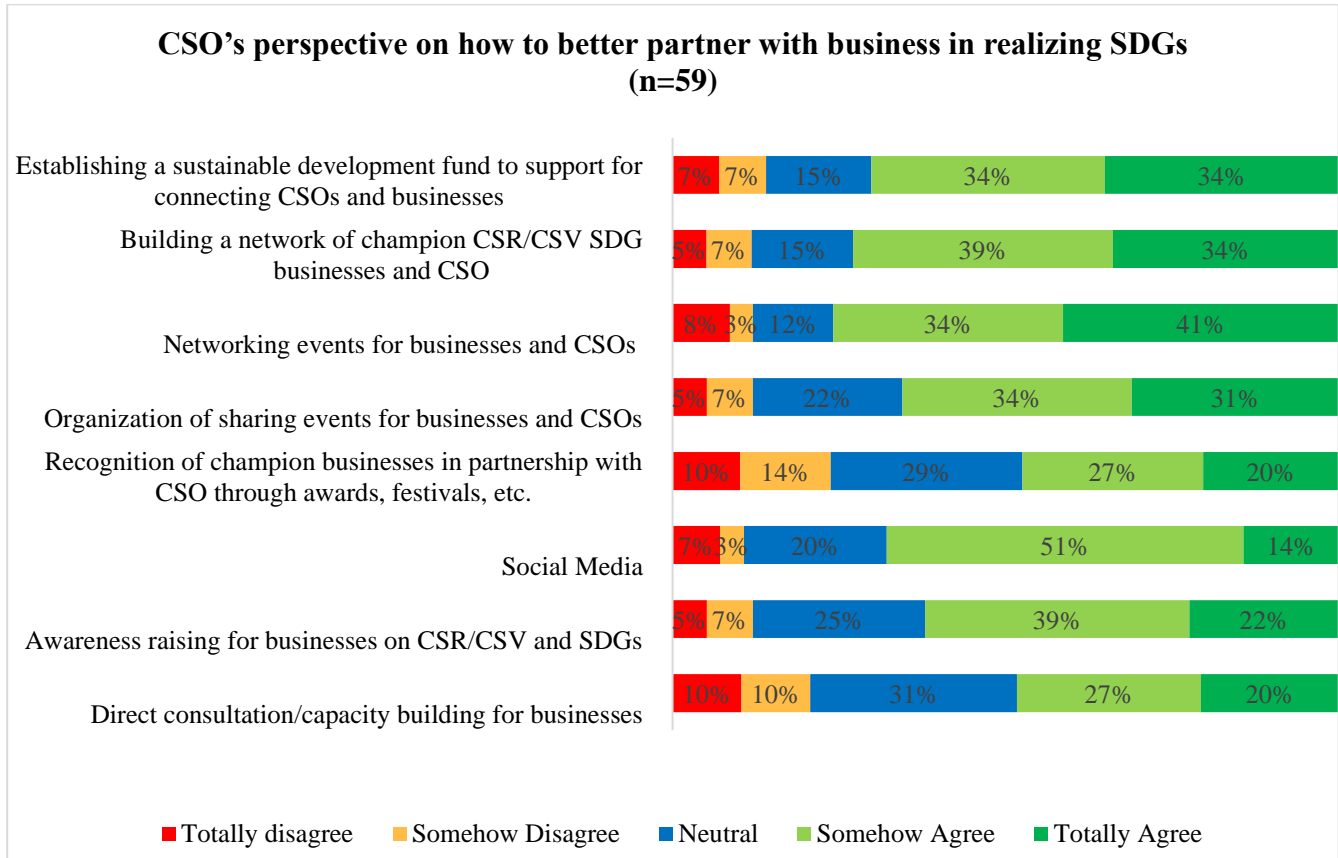■ Totally disagree ■ Somehow Disagree ■ Neutral ■ Somehow Agree ■ Totally Agree

Figure 2.37: CSO's perspective on how to improve the effectiveness of business's CSR/CSV toward SDGs (n=59)

From CSO's perspectives, **all of the factors mentioned in Figure 3.32 were rated important actions to enhance the efficacy of the business-CSO partnership** in doing CSR/CSV toward realizing SDGs. Particularly, networking-related activities were perceived as of paramount importance to strengthen the partnership with more than 70% of the respondents rating at "somehow agree" and "totally agree" levels.

"*At the moment, most of CSOs are still struggling with approaching businesses as it's seemingly seen that businesses are not really open the access for CSOs. Thus, it would be good if there're some pioneering actors creating a space for CSOs and businesses interaction then more and more partnership would be formed and developed*" (CSO key informant 1).

Other than these specific practices/activities, for a positive vision of the partnership, it is ultimately critical to developing a healthy ecosystem to realise sustainability-related issues. "W*hen mentioning the so-called ecosystem, we should think of the relations and interactions among actors in the system. Therefore, it's of critical importance to nurture the natural and interlinked interactions, not just among CSOs and businesses but also other actors such as the government, international organisations, and agencies, etc.*" (CSO key informant 3).

"*CSOs should strengthen information sharing activities, including information about enterprises and relevant areas of interest related to SDGs. It is critically important to initiate regular networking activities in forms of forum, newsletter, community platform for CSOs and business to open up opportunities for the partnership*". (CSO key informant 4).

(ii)   **_CSO's expectation or desire: willing to join Win-win for Vietnam_**

Figure 2.38: CSO's willingness to join the hub/platform (n=58)
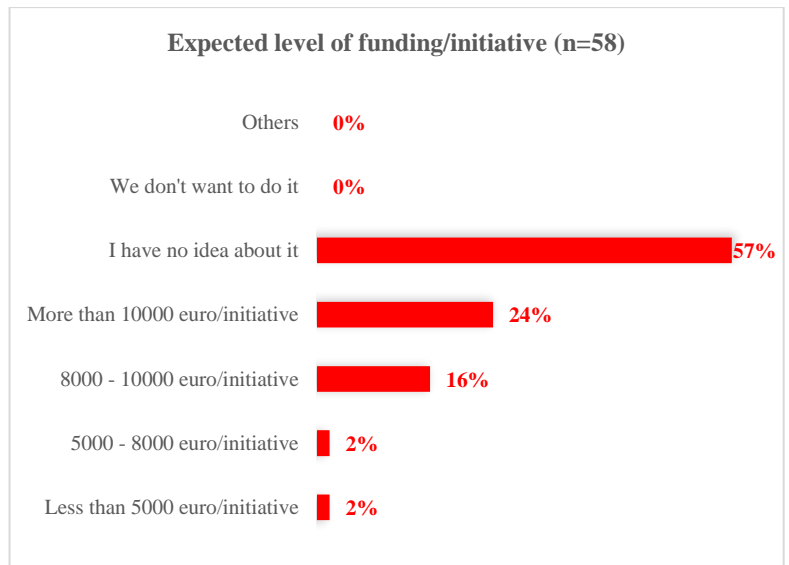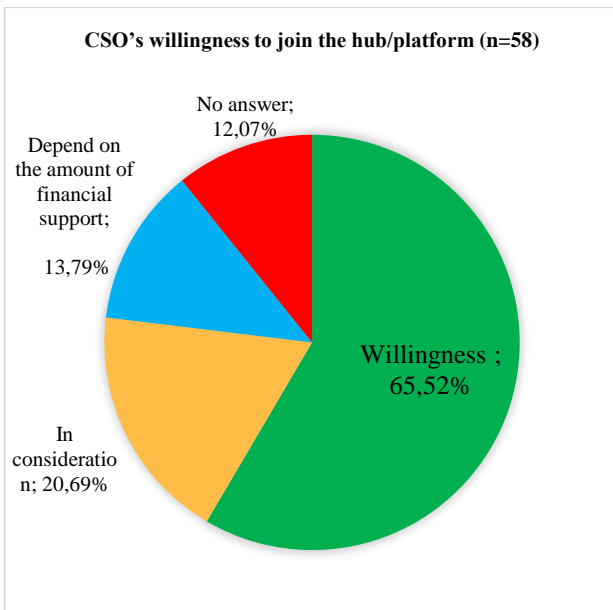
Figure 2.39: Expected level of funding/initiative (n=58)

Nearly 70% surveyed CSOs expressed their willingness to join the project to receive more **technical and financial assistance** for strengthening their opportunities to partner with the business sector; Nearly 21% CSOs perceived that they need further considerations, in which 50% of them concerned Administrative procedures, the Sustainability as challenges in collaboration with business to implement CSR/CSV projects; also, 25% of them worried about Government recognition/endorsement and Tax-related issues in CSR/CSV projects with business. More than half of the respondents (57%) had no ideas about how much the fund should be supported for their partnership initiatives; 24% expected more than €10,000 and 16% satisfied with at least €8000 per partnership initiative for CSR/CSV project. This finding should be taken into account in proposing budget plan for the business – CSO partnership initiatives.

CSO's capacity building needs (n=58)

No demand	0%
Capacity building on community communication	66%
Capacity building on communication strategy	21%
Capacity building on financial management	28%
Capacity building on project management	43%
Cappacity building on fundraising strategy	69%
Capacity building on organisational development	66%
Capacity building on corporate partnership development	83%
SDGs knowledge	48%
CSR and CSV knowledge	62%
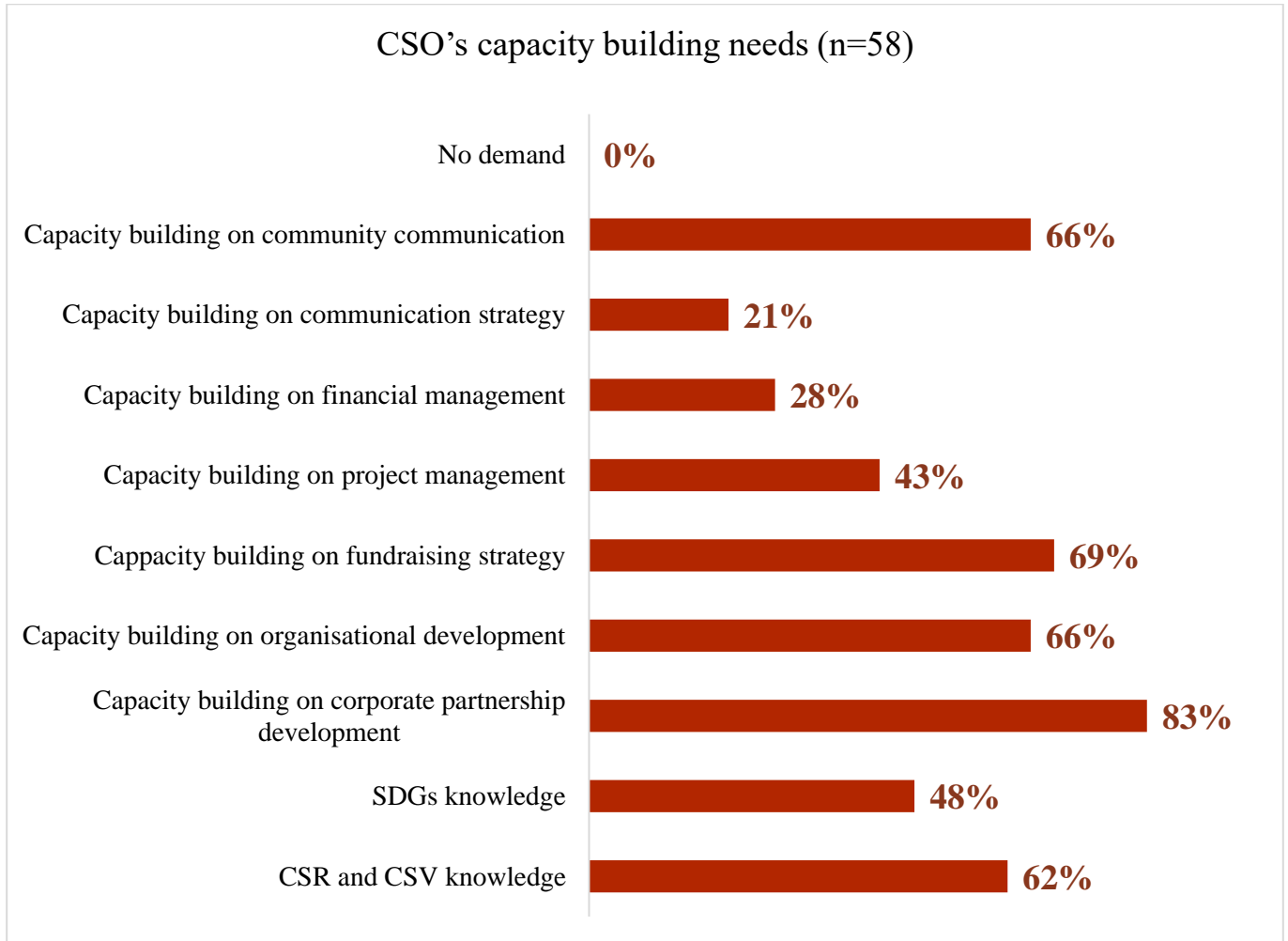
Figure 2.40 CSO's capacity building needs (n=58)

For a better partnership with the business sector, nearly **75% of the CSOs expected to improve their corporate partnership developmen**t; about 60% of the respondents expressed their needs for improving their capacity on fundraising from the business sector, strategic communications, and organisational development strategies; approximately 40% needed further capacity building on SDGs, and project management; human resources and financial management account for approximately 20% of CSOs' need.
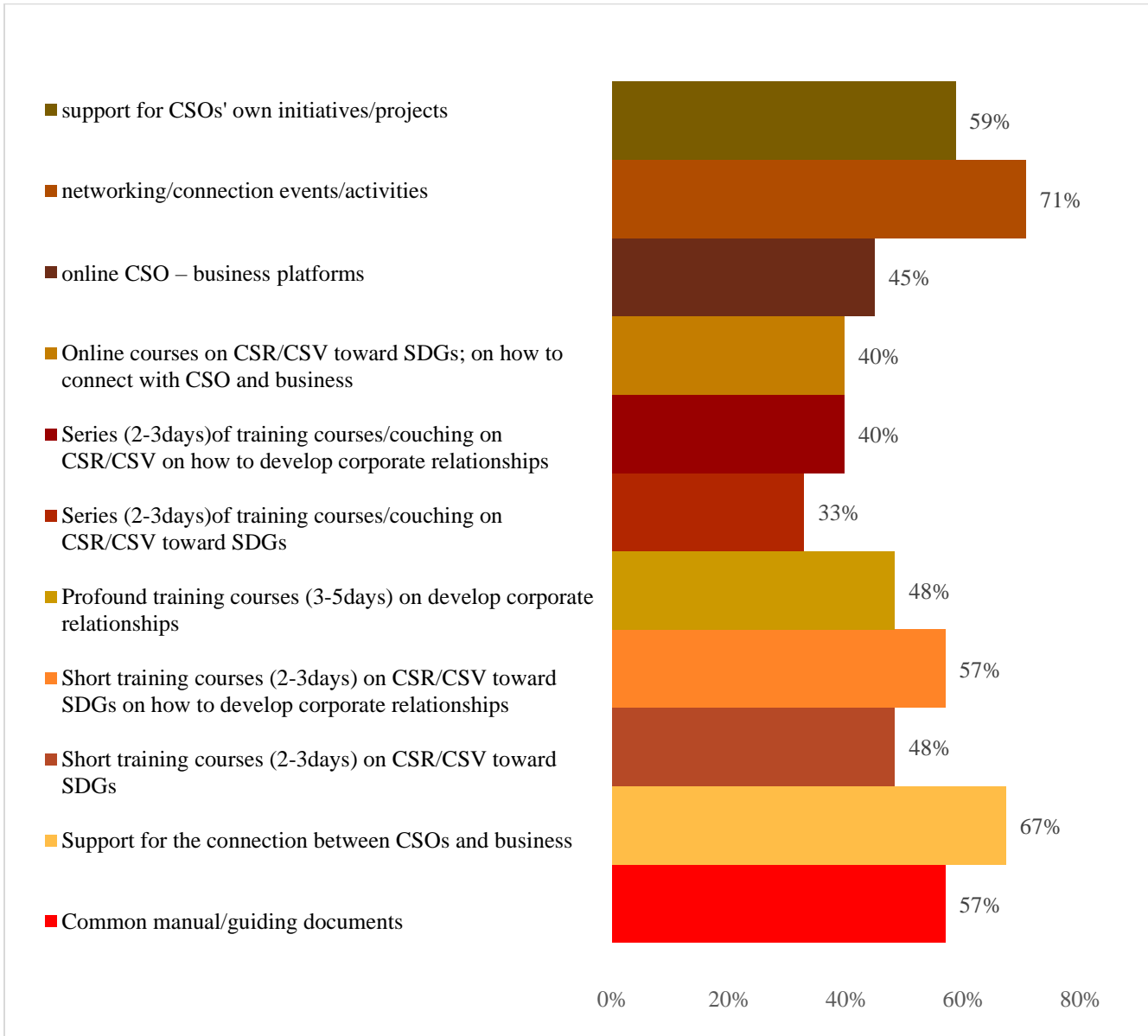
Figure 2.41: Forms of support expected by CSOs in the period 2021-2024 (n=58)

71% of the CSOs expressed their interest in joining networking/connection events/activities; approximately 50% expected to: join training courses on how to approach businesses, have support for their own initiatives/projects, be provided with common manual/guiding documents. Over 40% of the CSOs were interested in joining training courses on CSR/CSV toward SDGs, on how to develop corporate relationships, and in online CSO – business platforms. Around 30% expected series of training courses/couching on SDGs-related issues.

CHAPTER 3: CONCLUSION AND RECOMMENDATIONS

3.1 Key implications

1. There is a **certain gap in understanding of CSR/CSV and SDGs in both the business and CSO sector**, including the national agenda on SDGs toward 2030 and the UN SDG framework. It is of critical importance to create orientation sessions to enhance awareness on this subject matter. Sustainability cannot be achieved by any sole stakeholder but a collective effort by the whole society with key drivers of the government, CSO, and business. Both the CSO and business sectors need to be engaged and consulted in the development of related policies to ensure that their voices can be heard in the way to increase the feasibility and efficacy of the policy execution. As such, the sustainable development strategies can be aligned with the official international/national agenda to best generate overarching results. In reality, commerce chambers, especially VCCI, have conducted various activities aiming at raising awareness of enterprises on SDGs-related issues at different levels (from basic to advanced sessions); however, those who could access this source of information are still limited.

2. **The business-CSO partnership opportunities are very potential**, it is also an indispensable relationship, hence, should be further strengthened. It is so positive that both sides have well recognized the strengths of the other. Thus, it would of high potential for a long-term and sustainable partnership which should be built on a win-win relation sharing goals and impacts. For an effective partnership, both sectors need to further support and technical assistance through training courses and networking-related activities.

3. Specifically, it is **necessary to build a sustainable development platform** in which businesses and CSOs and other related stakeholders can interact and exchange information, know-how, and insights. Both CSOs and businesses should be well classified based on their interest and working areas aligned with SDGs-related matters. It might help with better matching the needs and shared goals among partners.

   For example, it is essential to build (and regularly update) a comprehensive "directory" of both CSOs and businesses with sufficient information on the capacity profile so that anyone can access to this source of information to seek the suitable partners. Especially, there should be a consistent guiding toolkit to measure of the impacts of the CSR/CSF/SDGs-related initiatives.

3.2 Recommendations

3.2.1 For Business

- Capacity building enhanced on CSR/CSV toward SDGs for on-demand business, especially Vietnamese business and SMEs, micro enterprises who are still lack knowledge on the topic. Business should have capacity improved with the management process of not only finding what to do, how to do but also how to do better, who partners and how to manage and monitor the results for businesses.

- Business' CSR/CSV toward SDG plan should be reviewed and repositioned to align with or be included in the business strategy. The transformation to SDG process can help businesses to improve not only the social impacts of their current CSR/CSV programmes but also make it good for business. The CSR/CSV toward SDGs investment should be in a strategic and long-term way

to achieve sustainability. The process can be supported and added value by CSOs with SDG knowledge and expertise to provide consultancy;

Figure 3.1: Corporate SDG concept framework

Source: Chang et al., (2020)

- Partnership created or strengthened with CSOs to implement or add values for CSR/CSV programmes of companies. CSO should be treated as partners who have the expertise and increasing capacity in creating social impacts rather than free volunteers (with no administration cost) or marketing- communication agencies. The partnership helps complement the expertise and better mobilize resources for companies' CSR/CSV programmes;

3.2.2 For CSOs

- Capacity enhanced for better partnering with the business for a win-win purpose: As per clearly defined in the results of the survey, the business-CSO partnership is indispensable to realise SDGs. The CSO sector should be strengthened in the way that reaches the business required level in terms of operation management (finance, HR, governance), approach, communication, etc. Particularly, CSOs should focus on factors perceived as their weakness by the business such as implementation scale-up capacity, transparency and accountability, etc.

- Raising awareness with related stakeholders on SDGs-related subject matters, such as social and environmental impacts and community engagement. Given that every CSO has its mission closely linked to certain angles of sustainable development, the CSO sector is seen to have ultimately grounded expertise and insights on their related subject matters. During cooperation and partnership, these insights should be, in one way or the others, transferred to its partners. For a broader view, CSOs should position as a strong partner contributing to acceleration of the partnership but not just asking for funding support, as perceived by a commerce chamber representative "*CSR is not just one day but a long process. We always convince the business to work with CSOs in this effort to strengthen the CSR activities as a sustainable partnership with CSO will lead to something that less in time and measurable*" (A commerce chamber key informant).

- Proactively participating in the SDGs/social solutions related platforms and/or alliances to access to relevant information, and insights, hence opening up new opportunities for partnerships in which all parties contribute to creating shared values.

3.2.3 For Win-Win project

- Capacity building programmes on CSR/CSV and Partnership for business and CSOs should be developed on demands. Besides knowledge on CSR/CSV/SDGs, business and CSOs should understand the different characteristics of two sectors, realise their roles, strengths, and weakness to complement with each other for a good partnership for creating shared value and social impacts;

- Capacity building programmes should also help both business and CSOs to develop the partnership strategy in the long-term. Businesses should understand more about how to review and transform their CSR/CSV programmes toward Sustainability programmes. CSOs needs capacity building in developing partnership strategy with business partners, how to improve organisations' profile, transparency and accountability, and improve the measurement to creating return on investment (ROI);

- **Networking and connection between CSOs and Business should not be general but be organized by thematic themes or sectors** to attract the shared value and the interest of CSOs and Business partners. The SDGs to be focused on should be SDG 8 – Decent Works and Economic Growth, 3 – Good Health and Well-being, 4 – Quality Education, 5 – Gender Equality, 6 – Clean water and sanitation; 7 – Affordable and Clean Energy; 13 – Climate Action, 16 – Peace Justice and Strong Institution (targets 16.6, 16.7, 16.A, and 16.B), and 17- Partnerships for the Goals);

- Creating shared value and building trust partnerships should be the approach and focus of the "Win-win for Vietnam project", in which the CSV Hub plays the centre role for learning, sharing, meeting and matching different CSO and business partners for sustainable development. The project should take more efforts in mapping and learning the needs of specific and targeted business and CSOs to identify the opportunities for connection and provide pieces of advices or services for connection. As recommended, the matching activities should be organized frequently as a hub of CSOs and Business to share ideas/ initiatives and discussion of how to cooperate effectively.

- Advocacy efforts for an eco-system for the Government – CSO – Business partnership for development is the long-term strategy and approach to achieve. In this way, the project may take efforts to advocate for the legal responsibility of business sectors to engage in CSR/CSV towards SDGs, for better tax and refund mechanisms for philanthropy activities, and an enabling environment for CSO- Business partnership./.

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