ABSTRACT
Regulatory non-compliance by firms causes grave dangers for surrounding communities in developing countries. This paper describes the results of a two-year randomized controlled trial evaluating the impact on regulatory compliance of an initiative by a government-affiliated business association in Vietnam to mobilize comments from firms on a draft regulation. The results indicate that, relative to the control group, participating firms: 1) improved their view of government legitimacy over the study period; 2) were 8-10 percent more likely to allow inspections by chemical safety experts working for a government-affiliated business association; and 3) demonstrated greater regulatory compliance, especially with costlier requirements. Results indicate that the regulatory compliance of firms was not influenced by early transmission of information during the participation period.