



2006 Survey on Monitoring The Paris Declaration

Country Chapters

VIET NAM

The 2006 Survey on Monitoring the Paris Declaration was undertaken in 34 countries that receive aid. The results of the survey are presented in two volumes. **Volume 1** provides an overview of key findings across 34 countries. **Volume 2** presents the baseline and key findings in each of the 34 countries that have taken part in the survey. This chapter is based primarily on the data and findings communicated by government and donors to the OECD through the Paris Declaration monitoring process. A more detailed description of this process, how this chapter was drafted and what sources were used is included in Volume 1, Chapter 2.

Both Volume 1 (Overview) and Volume 2 (Country Chapters) of the 2006 Survey on Monitoring the Paris Declaration can be downloaded at the OECD website:

www.oecd.org/dac/effectiveness/monitoring

A second round of monitoring will be organised in the first quarter of 2008 and will be an important contribution to the Accra High-Level Forum on Aid Effectiveness in September 2008.

32 VIET NAM

WITH A POPULATION of 82 million, Viet Nam has an average national income of USD 720 per person (gross domestic product per capita, 2005). In 2005, 10% of the population fell beneath the national poverty line. Total net official development assistance (ODA) to Viet Nam in 2004 was USD 1 830 million, which amounted to 4% of gross national income. A total of 33 donors responded to the baseline survey; together, they provide at least 95% of ODA.

Viet Nam is at the forefront of efforts to implement the Paris Declaration, and has embraced the global agenda. In 2005, the government and donors produced the Hanoi Core Statement (HCS) on Aid Effectiveness which translates the Paris Declaration into “Partnership Commitments” for Viet Nam. The Hanoi Core Statement includes 14 indicators with indicative targets for 2010. In many cases, these targets are more ambitious than those in the Paris Declaration. The Hanoi Core Statement is now being monitored alongside the Paris Declaration in Viet Nam.

DIMENSIONS	BASELINE	CHALLENGES	PRIORITY ACTIONS
Ownership	Strong	Government dissemination of Paris Declaration and Hanoi Core Statement principles to sectors and provinces.	Government to continue to broaden and deepen the dissemination process.
Alignment	Moderate	Certain donors bound by their institutional limitations on the greater use of budget support and government systems. No incentives system in place within donor systems to reward implementation of the Paris Declaration.	Donors to review policy coherence and corporate incentive mechanisms against Paris agenda.
Harmonisation	Moderate	Limited use of programme-based approaches. Limited donor co-ordination of missions and shared analysis.	Donors to consider greater use of programme-based approaches. Donors to co-ordinate missions and share analysis.
Managing for results	Strong	Lack of tools and capacity for government in monitoring and evaluation of programme-based approaches. Lack of harmonised sector indicators linked with the National Development Plan, Viet Nam Development Goals and Millennium Development Goals.	Strengthen tools and donor support for government capacity, building in the management and use of such tools.
Mutual accountability	Strong	Complementarity of mutual assessments of Paris Declaration targets and local aid effectiveness targets.	Conduct broad-based mutual assessments.

OVERVIEW
Box 32.1
Challenges
and priority
actions

OWNERSHIP

OWNERSHIP IS CRUCIAL TO AID EFFECTIVENESS and good development results, and is central to the Paris Declaration. It has been defined in terms of a country's ability to exercise effective leadership over its development policies and strategies. Achieving this is not a simple undertaking. Nor, of course, can it be measured by a single indicator. Country ownership of development plans is an essential building block, without which there will be little alignment of aid with national priorities. Donors will only align their assistance when governments set out clear priorities and operational strategies – this is the main focus of Indicator 1 of the Paris Declaration.

INDICATOR 1

Viet Nam has a strong record of effective policy making, and the government takes the lead in managing its aid resources. The country has a range of well-developed plans that guide policy formulation. The Socio-Economic Development Strategy (2001-10) sets out the government's vision, built on the transition to a market economy, pro-poor investment in rural areas and poorer regions, and reforms to the country's governance structure. This vision is translated into policy by the Socio-Economic Development Plan 2006-2010 (SEDP), which also serves as Viet Nam's Poverty Reduction Strategy. Viet Nam's objective is to move into the group of middle-income countries by 2010, and the SEDP sets out a comprehensive strategy for achieving this. It identifies four main challenges for the country: improving the business environment, strengthening social inclusion, strengthening natural resource/environmental management and improving governance. This is supported by five-year sectoral plans and provincial development plans. The government is in the process of rolling out the Comprehensive Poverty Reduction and Growth Strategy to all provinces and cities, and is establishing a facility for strengthening provincial planning reforms.

The SEDP aims to achieve 12 Viet Nam Development Goals by 2010. These goals were developed after substantial joint analytical work by government, donors and non-governmental organisations. The government prepares its budgets guided by the SEDP, and ensures that these budgets reflect the medium-term perspective. A Medium-

Term Expenditure Framework (MTEF) has been adopted for 2006-08, and line ministries are now preparing 2006-10 budget frameworks based on the SEDP. Sectoral and provincial MTEFs are being piloted – an important process, given that almost half of Viet Nam's budget resources are allocated at a local level.

Viet Nam received a B rating in the World Bank's 2005 Comprehensive Development Framework assessment, which provides the baseline for Indicator 1. This meets the target of having largely developed operational development strategies, but Viet Nam should aim to achieve an A rating by 2010. The priority for Viet Nam in improving its rating for Indicator 1 is to continue to refine the budget process, especially at the local level, so that development plans and strategies can be implemented on the ground.

OTHER ASPECTS OF OWNERSHIP

According to the World Bank's Aid Effectiveness Review (AER), government leadership and co-ordination of development assistance is strong. Annual Consultative Group meetings and the ongoing Partnership Group on Aid Effectiveness institutionalise a strong government-led partnership.

In terms of broader stakeholder participation and ownership, it is notable that in Viet Nam, Consultative Group meetings include civil-society and private-sector representatives. These sectors were also at the table when the national development plan was drawn up. Parliamentary involvement is said to be strengthening.

ALIGNMENT

THE GOVERNMENT IS WORKING to ensure that aid is used to support its policies and institutions. A Strategic Framework for ODA Mobilisation and Utilisation is currently being designed for the years 2006-10 to provide a focal point for alignment, and many of the alignment targets set by the HCS go beyond those included in the Paris Declaration. Viet Nam has in place several of the elements needed for alignment. It has well-developed country systems – particularly for public procurement and investment monitoring. Recent initiatives between the government and donors to develop the Aligned Monitoring Format (for monitoring disbursement, process and performance data) have set the stage for consistent and aligned data gathering for monitoring. Nevertheless, there remains considerable room for donors to make greater use of the country's systems.

BUILDING RELIABLE COUNTRY SYSTEMS

Indicator 2a assesses the quality of Viet Nam's public financial management (PFM) systems, using the World Bank's Country Policy and Institutional Assessment (CPIA Indicator 13). In 2005 Viet Nam's rating was 4.0 on a six-point scale (ranging from a low of 1 to a high of 6).

INDICATOR 2a

According to the AER, the government is making headway in its efforts to improve public financial management and budget execution. The 2004 State Budget Law created a single Treasury account, allowing the Treasury to monitor expenditures more effectively. The State Audit of Viet Nam has been established as an independent agency reporting to the National Assembly, and the government has issued a new Accounting Law. Budget transparency has been improved as well: planned and actual budgets, at central and provincial levels, were disclosed for the first time in 2005. Staff have completed the overall design of an integrated Treasury and Budget Management Information System, and the first phase is expected to become operational in 2009. If the government can sustain these PFM reforms, Viet Nam should be able to meet the 2010 target of 4.5 on CPIA Indicator 13. Improvements in PFM systems will no doubt be supported by ongoing efforts to tackle corruption – an Anti-Corruption Law was approved in November 2005.

No score is currently available for Indicator 2b on the quality of Viet Nam's procurement systems. The AER points out, however, that a new Procurement Law became effective in April 2006; it includes provisions to increase transparency and competition in public procurement. The government is currently working on an implementation plan for this law. A Public Procurement Bulletin has been in place since April 2005 for the publication of information on bidding opportunities and contract awards, and the government is building a public procurement monitoring system according to international guidelines.

INDICATOR 2b

INDICATOR 3
Table 32.1

Are government budget estimates comprehensive and realistic?

	Government's budget estimates of aid flows for FY05 (USD m)	Aid disbursed by donors for government sector in FY05 (USD m)	Baseline ratio*
	a	b	c=a/b (%) c=b/a
Asian Dev. Bank	227	232	98%
Australia	6	43	14%
Belgium	2	16	14%
Canada	15	18	82%
Czech Republic	0	1	59%
Denmark	18	66	28%
European Commission	20	45	44%
Finland	6	16	36%
France	29	62	47%
GAVI Alliance	0	3	0%
Germany	28	46	61%
Global Fund	3	12	22%
Hungary	0	1	0%
IFAD	8	9	85%
IMF	0	0	--
Italy	2	6	35%
Japan	640	667	96%
Korea	2	9	23%
Luxembourg	1	9	12%
Netherlands	27	39	69%
New Zealand	2	3	58%
Norway	15	16	96%
OPEC Fund	6	0	0%
Spain	6	7	74%
Sweden	17	34	51%
Switzerland	6	9	71%
United Kingdom	64	104	61%
United Nations	21	36	58%
United States	7	23	29%
World Bank	385	409	94%
Total	1 563	1 941	81%

* Baseline ratio is $c = a / b$ except where government's budget estimates are greater than disbursements ($c = b / a$).

ALIGNING AID FLOWS ON NATIONAL PRIORITIES

Donors agreed in 2005 to align their work with the 2006-2010 Socio-Economic Development Plan, and all major donors have revised their assistance strategies accordingly, or are in the process of doing so. Indicator 3 – measuring the proportion of for-government aid which is reported in the country's budget – is a proxy for measuring alignment.

The table here provides the government's budget estimates of aid flows for fiscal year 2005 (numerator) as a percentage of aid disbursed by donors for the government sector for the same period (denominator). This ratio tells us the degree to which there is a discrepancy between budget estimates and actual disbursements. The discrepancy can be in two directions: indeed budget estimates can be either higher or lower than disbursements. In order to have a single measure of discrepancy that is always less than 100%, the ratio is flipped when budget estimates are higher than disbursements. The baseline value for Indicator 3 in Viet Nam is 81%. Achieving the target agreed in Paris of 90% (halving the gap) for this indicator will require concerted efforts by donors and government.

The budget recording gap in Viet Nam is 19%. This gap is explained by a number of factors: some aid recorded by donors is channelled through non-government systems, some donors do not use the same financial years as the government, there can be a lack of timely information on planned disbursements from some donors, and there can be a shortage of comprehensive reporting of aid flows within the government. A new online

Development Assistance Database should help to improve access to information on aid flows in Viet Nam. The ODA on-budget Thematic Working Group of the Partnership Group on Aid Effectiveness has been established to analyse problems with on-budget reporting of aid and to make recommendations for action to government and donors. These processes should help Viet Nam meet the 2010 target.

CO-ORDINATING SUPPORT TO STRENGTHEN CAPACITY

The government has identified capacity building as a key priority, and the development plan pinpoints a number of detailed objectives in this area. The HCS includes a target that all technical assistance be co-ordinated with country programmes by 2010, going beyond the target of 50% included in the Paris Declaration.

According to donor estimates, 85% of technical assistance is already co-ordinated in Viet Nam ("co-ordinated" was taken to mean that a programme was delivered through government-led capacity-building programmes). However, government officials suggest that only a third of donors channel their assistance through genuinely country-led programmes, arguing that most technical assistance projects remain donor-led. Government and donors will need to come to an agreement on criteria for co-ordinated technical assistance.

Whatever the true figure for Indicator 4, Viet Nam needs to move ahead in this area if it is to meet the HCS target of 100% co-ordinated technical assistance. Under government leadership, a number of co-ordinated programmes are already in place, including the Comprehensive Capacity Building Programme to Improve ODA Management. Donors and government should look to expand these approaches, as the government strengthens its own capacity to formulate and implement capacity-building programmes.

How much technical assistance is co-ordinated with country programmes?

INDICATOR 4
Table 32.2

	Co-ordinated technical co-operation (USD m) a	Total technical co-operation (USD m) b	Baseline ratio* (%) c=a/b
Asian Dev. Bank	9	9	100%
Australia	8	30	27%
Belgium	11	12	92%
Canada	2	7	21%
Czech Republic	1	1	100%
Denmark	2	22	8%
European Commission	25	25	100%
Finland	5	12	43%
France	5	13	40%
GAVI Alliance	0	0	--
Germany	13	14	96%
Global Fund	0	0	--
Hungary	0	0	75%
IFAD	--	0	--
IMF	0	0	--
Italy	0	0	91%
Japan	482	482	100%
Korea	8	8	100%
Luxembourg	0	2	0%
Netherlands	10	19	50%
New Zealand	1	2	21%
Norway	16	16	100%
OPEC Fund	0	2	0%
Spain	3	3	100%
Sweden	16	16	100%
Switzerland	1	9	13%
United Kingdom	40	40	100%
United Nations	19	33	56%
United States	0	23	0%
World Bank	25	27	93%
Total	702	827	85%

USING COUNTRY SYSTEMS

The Paris Declaration encourages donors to make increasing use of a country's systems where these provide assurance that aid will be used for agreed purposes. Indicator 5 looks in particular at donors' use of countries' PFM and procurement systems.

On average, 32% of aid for the government sector uses government's budget execution, financial reporting and audit systems. Given that Viet Nam scores 4.0 on Indicator 2a, the targets for 2010 on Indicator 5a are that 55% of aid makes use of national PFM systems (on average across the three systems in question), and that 90% of donors make use of all three systems for at least some projects/programmes. The HCS targets are that more than 50% of aid uses national PFM systems and that more than 50% of donors use them for more than 50% of their aid.

INDICATOR 5
Table 32.3

How much aid for the government sectors uses country systems?

	Aid disbursed by donors for government sector (USD m) a	Public financial management				Procurement	
		Budget execution (USD m) b	Financial reporting (USD m) c	Auditing (USD m) d	Baseline ratio (%) avg(b,c,d) / a	Procurement systems (USD m) e	Baseline ratio (%) e / a
Asian Dev. Bank	232	232	96	96	61%	110	48%
Australia	43	0	1	1	1%	4	9%
Belgium	16	0	0	0	0%	1	7%
Canada	18	9	9	9	51%	9	51%
Czech Republic	1	0	0	0	0%	0	0%
Denmark	66	1	2	1	2%	1	1%
European Commission	45	18	18	18	40%	20	44%
Finland	16	4	4	4	24%	7	41%
France	62	7	49	0	30%	49	79%
GAVI Alliance	3	0	0	3	33%	1	30%
Germany	46	16	8	8	24%	0	0%
Global Fund	12	12	0	0	33%	0	0%
Hungary	1	0	0	0	0%	0	0%
IFAD	9	0	9	9	67%	0	0%
IMF	0	0	0	0	--	0	--
Italy	6	1	1	1	22%	4	65%
Japan	667	204	204	204	31%	204	31%
Korea	9	0	0	0	0%	0	0%
Luxembourg	9	0	0	0	0%	0	0%
Netherlands	39	17	17	17	43%	39	100%
New Zealand	3	0	0	0	3%	0	8%
Norway	16	9	9	1	40%	9	56%
OPEC Fund	0	0	0	0	--	0	--
Spain	7	3	3	3	34%	6	78%
Sweden	34	8	25	0	32%	5	16%
Switzerland	9	0	--	0	--	1	11%
United Kingdom	104	65	65	65	62%	65	62%
United Nations	36	7	7	8	20%	6	15%
United States	23	0	0	0	0%	0	0%
World Bank	409	95	95	95	23%	95	23%
Total	1 941	707	622	542	32%	635	33%

Of the aid using Vietnamese PFM systems, just over half took the form of budget support. Of non-budget support aid, only 14% used government PFM systems. A substantial proportion of donors are expected to increase their use of national PFM systems, mostly through budget support, which should help Viet Nam meet both the Paris and HCS targets, although some donors are likely to face ongoing restrictions in their use of national PFM systems due to their own legislative or regulatory standards. The government also recognises the need to continue improvements to its PFM systems (see above). Both donors and government should explore ways to expand the use of national PFM systems for non-budget support aid.

One-third of aid uses Vietnamese procurement systems. As with PFM systems, more than half of the aid which uses national procurement systems is budget support. Without data on Indicator 2b, no target can currently be set for Indicator 5b under the Paris Declaration, but the work of the Procurement Thematic Group co-chaired by the government and donors should support progress towards HCS targets for more than 50% of aid to use national procurement systems, and for more than 50% of donors to use them for more than 50% of their aid.

AVOIDING PARALLEL IMPLEMENTATION STRUCTURES

The Paris Declaration calls on donors to avoid, to the maximum extent possible, creating dedicated structures for day-to-day management of aid-financed projects and programmes. The Paris Declaration Baseline Survey for Viet Nam shows that donors – according to their own reports – have established a large number of parallel project implementation units (PIUs), 111 in total. The HCS sets an ambitious target of eliminating parallel PIUs entirely by 2010, while the target under the Paris Declaration is to reduce their number to 37 or less by 2010.

Donors and government agree that parallel PIUs represent a misuse of resources, but in some cases donors may have legitimate reasons for setting up their own PIUs. Such reasons might include: quicker implementation, specific reporting and management requirements, and a lack of confidence in government systems. The government however, remains keen to reduce the number of parallel PIUs. With a determined approach, and with the co-operation of donors, it seems probable that good progress will be made towards the Paris Declaration target.

How many PIUs are parallel to country structures?

INDICATOR 6
Table 32.4

	Parallel PIUs (units)
Asian Dev. Bank	0
Australia	16
Belgium	8
Canada	11
Czech Republic	0
Denmark	17
European Commission	1
Finland	4
France	11
GAVI Alliance	0
Germany	0
Global Fund	0
Hungary	0
IFAD	0
IMF	0
Italy	0
Japan	0
Korea	0
Luxembourg	0
Netherlands	0
New Zealand	0
Norway	0
OPEC Fund	0
Spain	0
Sweden	8
Switzerland	--
United Kingdom	0
United Nations	--
United States	35
World Bank	--
Total	111

INDICATOR 7
Table 32.5

Are disbursements on schedule and recorded by government?

	Disbursements recorded by government in FY05 (USD m) a	Aid scheduled by donors for disbursement in FY05 (USD m) b	Aid actually disbursed by donors in FY05 (USD m) b	Baseline ratio*	
				c=a/b (%)	c=b/a
Asian Dev. Bank	232	234	232	99%	
Australia	6	44	43	14%	
Belgium	2	25	16	9%	
Canada	15	32	18	47%	
Czech Republic	0	1	1	40%	
Denmark	18	66	66	28%	
European Commission	20	46	45	43%	
Finland	6	16	16	36%	
France	29	71	62	41%	
GAVI Alliance	0	2	3	0%	
Germany	28	34	46	83%	
Global Fund	3	10	12	25%	
Hungary	0	1	1	0%	
IFAD	8	10	9	79%	
IMF	0	--	0		
Italy	2	--	6		
Japan	640	674	667	95%	
Korea	2	9	9	22%	
Luxembourg	1	10	9	11%	
Netherlands	27	39	39	69%	
New Zealand	2	3	3	58%	
Norway	15	15	16		98%
OPEC Fund	6	--	0		
Spain	6	7	7	74%	
Sweden	17	34	34	51%	
Switzerland	6	9	9	71%	
United Kingdom	64	103	104	62%	
United Nations	21	41	36	50%	
United States	7	23	23	29%	
World Bank	385	454	409	85%	
Total	1 568	2 013	1 941		78%

* Baseline ratio is $c = a / b$ except where disbursements recorded by government are greater than aid scheduled for disbursement ($c = b / a$).

PROVIDING MORE PREDICTABLE AID

Improving the predictability of support is a challenge, as is the measurement of performance in this regard. Indicator 7 focuses on the government's ability to record disbursements in its accounting system for the appropriate year.

The table looks at predictability from two different angles. The first angle is donors' and government's combined ability to disburse aid on schedule. In Viet Nam, donors scheduled USD 2 013 million for disbursement in 2005 and actually disbursed – according to their own records – a little less than expected (USD 1 941 million). The discrepancy varies considerably among donors. The second angle is donors' and government's ability to record comprehensively disbursements made by donors for the government sector. In Viet Nam, government systems recorded USD 1 568 million out of the USD 1 941 million notified as disbursed by donors (81%) indicating that a number of disbursements were not captured either because they were not appropriately notified by donors or because they were inaccurately recorded by government.

Indicator 7 on predictability has been designed to encourage progress against both of these angles so as to gradually close the predictability gap by half by 2010. In other words it seeks to improve not only the predictability of actual disbursements but also the accuracy of how they are recorded in government systems – an important feature of ownership, accountability and transparency.

In Viet Nam, this combined predictability gap amounts to USD 445 million (22% of aid). Closing this predictability gap will require donors and government to work increasingly together on various fronts at the same time. Actions might include efforts in improving:

- The realism of predictions on volume and timing of expected disbursements.
- The way donors notify their disbursements to government.
- The comprehensiveness of government's records of disbursements made by donors.

In Viet Nam specific challenges include inconsistencies and gaps in the legal and institutional frameworks for managing ODA funds, weak co-ordination between donors and government in preparing realistic disbursement plans, and gaps between donor and government PFM and procurement systems. Donors have pledged to provide reliable multi-year indicative commitments, and to release aid in a timely and predictable fashion. The government, for its part, is seeking to improve its performance in terms of reporting aid in its national accounting system. With a determined effort, the Paris 2010 target is achievable.

UNTYING AID

According to OECD data covering 89% of 2004 commitments, 67% of aid to Viet Nam is untied. This is encouraging, although there remains room for further progress.

INDICATOR 8

HARMONISATION

HARMONISATION OF DONOR PRACTICES and procedures can enhance aid effectiveness. In Viet Nam, despite the sound foundations for aid effectiveness provided by strong country ownership and concerted government-led efforts on alignment, the harmonisation picture is less rosy. Relatively little use is made of programme-based approaches, and the proportions of shared missions and country analysis fall short of the 2010 targets. Donors in particular need to work hard to deliver harmonisation. There has been some progress with harmonisation of monitoring and evaluation systems – with major donors all adopting the government’s monitoring format set out in the recently issued Decree 121.

INDICATOR 9
Table 32.6

How much aid is programme based?

	Budget support (USD m) a	Other PBAs (USD m) b	Total (USD m) c=a+b	Total disbursed (USD m) d	Baseline ratio (%) e=c/d
Asian Dev. Bank	96	--	96	232	41%
Australia	--	14	14	43	32%
Belgium	0	16	16	16	100%
Canada	9	5	15	30	48%
Czech Republic	--	--	--	1	--
Denmark	1	5	6	66	9%
European Commission	20	1	21	45	46%
Finland	0	1	1	16	3%
France	27	13	39	62	63%
GAVI Alliance	0	1	1	3	30%
Germany	8	--	8	46	18%
Global Fund	--	12	12	12	100%
Hungary	--	--	--	1	--
IFAD	--	--	--	9	--
IMF	--	--	--	0	--
Italy	--	--	--	6	--
Japan	23	200	223	667	33%
Korea	--	--	--	9	--
Luxembourg	--	--	--	9	--
Netherlands	17	--	17	39	43%
New Zealand	--	--	--	3	--
Norway	1	0	2	16	11%
OPEC Fund	--	--	--	0	--
Spain	3	--	3	7	34%
Sweden	0	0	0	36	0%
Switzerland	0	--	0	9	5%
United Kingdom	38	27	64	104	61%
United Nations	--	34	34	36	94%
United States	--	--	--	23	--
World Bank	95	--	95	409	23%
Total	337	328	665	1 956	34%

USING COMMON ARRANGEMENTS

If donors use common arrangements, such as programme-based approaches (PBAs) for their aid, this can reduce the transaction costs that fall on the government. Indicator 9 of the Paris Declaration measures the proportion of aid that is programme based. Viet Nam’s donors did face some difficulties in classifying their aid programmes as programme based or otherwise, but the baseline figure as reported is 34%, with most delivered as direct budget support. This is a long way from the 2010 Paris Declaration target of 66%, and from the HCS target of 75%.

However, donors are providing a greater proportion of their aid through PBAs, and are working with government to formulate a common policy framework supported by joint funding mechanisms. As the AER notes, these efforts are beginning to bear fruit in the education, health and forestry sectors, suggesting that sustained progress towards the targets is on the horizon.

CONDUCTING JOINT MISSIONS AND SHARING ANALYSIS

Some 791 donor missions to Viet Nam took place in the reporting year. This number of donor missions is likely to impose a considerable burden on the Vietnamese authorities. Only 10% of these missions were co-ordinated, leaving Viet Nam some way short of the 40% target.

Efforts are being made to reduce the number of missions, and to increase the proportion of them that are co-ordinated, with several countries seeking to schedule joint programme evaluation missions. However, this has not been easy: donors' specific interests, language issues and internal procedures make conducting joint missions problematic. For its part, the government is establishing an information-exchange platform, and hopes that an increasing level of delegation to country offices will reduce the difficulties faced in scheduling missions.

How many donor missions are co-ordinated?

	Co-ordinated donor missions (missions) a	Total donor missions (missions) b	Baseline ratio (%) c=a/b
Asian Dev. Bank	2	106	2%
Australia	0	8	0%
Belgium	0	9	0%
Canada	4	11	36%
Czech Republic	--	--	--
Denmark	4	19	21%
European Commission	3	15	20%
Finland	3	9	33%
France	0	200	0%
GAVI Alliance	0	0	--
Germany	6	35	17%
Global Fund	0	2	0%
Hungary	--	1	--
IFAD	4	4	100%
IMF	6	13	46%
Italy	0	0	--
Japan	0	76	0%
Korea	0	13	0%
Luxembourg	0	5	0%
Netherlands	0	0	--
New Zealand	--	--	--
Norway	2	2	100%
OPEC Fund	--	0	--
Spain	0	4	0%
Sweden	--	--	--
Switzerland	--	--	--
United Kingdom	15	15	100%
United Nations	9	17	53%
United States	9	27	33%
World Bank	50	200	25%
Total	76	791	10%

* The total of co-ordinated missions has been adjusted to avoid double counting. A discount factor of 35% has been applied.

INDICATOR 10a
Table 32.7

INDICATOR 10b
Table 32.8

	Co-ordinated donor analytical work* (units) a	Total donor analytical work (units) b	Baseline ratio (%) c=a/b
Asian Dev. Bank	0	5	0%
Australia	0	15	0%
Belgium	0	2	0%
Canada	0	0	--
Czech Republic	--	--	--
Denmark	2	2	100%
European Commission	4	4	100%
Finland	0	2	0%
France	0	1	0%
GAVI Alliance	0	0	--
Germany	2	3	67%
Global Fund	0	0	--
Hungary	--	--	--
IFAD	0	0	--
IMF	--	--	--
Italy	0	0	--
Japan	0	0	--
Korea	0	0	--
Luxembourg	1	1	100%
Netherlands	0	1	0%
New Zealand	1	1	100%
Norway	1	1	100%
OPEC Fund	--	--	--
Spain	0	4	0%
Sweden	5	8	63%
Switzerland	1	1	100%
United Kingdom	10	10	100%
United Nations	4	23	17%
United States	8	55	15%
World Bank	7	8	88%
Total	35	144	24%

* The total of co-ordinated analysis has been adjusted to avoid double counting. A discount factor of 25% has been applied.

Similarly, for country analysis, there is a considerable gap to close before the 2010 target of 66% will be reached. Most donors use the core diagnostic work prepared by the World Bank, Asian Development Bank and UNDP, but there is little sharing of individual country analyses. The government recognises that donors are reluctant to use its own country analysis because of its limited quality and outdated data, and is working hard to strengthen its own analytical capacities and to co-ordinate information sharing with donors and among government agencies. Some progress is being made in this regard with, for instance, 64 items of analysis posted on www.countryanalyticwork.net.

MANAGING FOR RESULTS

THE PARIS DECLARATION calls for partner countries and donors to work together to manage resources on the basis of desired results and use information to improve decision making. This means both strengthening the capacity to undertake such management and helping to increase the demand for a focus on results. Indicator 11 focuses on one component of this effort: the establishment of a cost-effective results-oriented reporting and assessment system by the country.

The rating given to Viet Nam's reporting and assessment system by the World Bank as part of the Comprehensive Development Framework assessment is C. This puts the 2010 Paris target of a B or better within reach.

As the AER notes, the government is taking action to improve the quality and availability of data, ensuring that regular surveys take place. Recent initiatives between the government and donors to develop the Aligned Monitoring Format (for disbursement, process and performance data) have set the stage for improved flow of data from both donor agencies and government institutions from late 2005. The Development Assistance Database (a government system presenting ODA investments and donor disbursement data) has been established to increase accountability and transparency. The public availability of information about development is also improving, with the media giving significant attention to development and aid effectiveness issues. The AER also reports that the government has made “a tremendous effort” to develop a results-based framework for the monitoring and evaluation of the national development plan.

INDICATOR 11

MUTUAL ACCOUNTABILITY

THE PARIS DECLARATION calls for donors and partner countries to be accountable to each other for the use of development resources, and in a way that tends to strengthen public support for national policies and development assistance. Thus governments must take steps to improve country accountability systems and donors must be transparent about their own contributions. The indicator examines whether there exists a country-level mechanism permitting joint assessment of progress in implementing agreed commitments on aid effectiveness, including those in the Declaration itself.

INDICATOR 12

The survey response reports that a mutual assessment of progress towards aid effectiveness commitments has been carried out, based on the efforts made to establish mutual accountability and assessment as part of the process of agreeing on the Hanoi Core Statement on Aid Effectiveness.

BASELINES AND TARGETS

THE TABLE BELOW presents the 2005 baselines and targets for Viet Nam. The information is discussed in detail in the above chapter and draws from various sources of information. The main source is the baseline survey undertaken in Viet Nam under the aegis of the National Co-ordinator (Pham Thi Thanh An).

INDICATORS	2005 BASELINE	2010 TARGET
1 Ownership – Operational PRS	B	A
2a Quality of PFM systems	4.0	4.5
2b Quality procurement systems	Not available	Not applicable
3 Aid reported on budget	81%	90%
4 Co-ordinated capacity development	85%	50%
5a Use of country PFM systems (aid flows)	32%	55%
5b Use of country procurement systems (aid flows)	33%	Not applicable
6 Parallel PIUs	111	37
7 In-year predictability	78%	89%
8 Untied aid	67%	More than 67%
9 Use of programme-based approaches	34%	66%
10a Co-ordinated missions	10%	40%
10b Co-ordinated country analytical work	24%	66%
11 Sound performance assessment framework	C	B or A
12 Reviews of mutual accountability	Yes	Yes

Table 32.9
Baselines
and targets

ACRONYMS

AER	Aid Effectiveness Review
CPIA	Country Policy and Institutional Assessment
HCS	Hanoi Core Statement
MTEF	Medium-Term Expenditure Framework
ODA	official development assistance
PBA	programme-based approach
PFM	public financial management
PIU	project implementation unit
SEDP	Socio-Economic Development Plan