

## Vietnam - Action Plan on ODA Simplification and Harmonization - 2004

Guiding principles: country-owned; country-led; diverse modes of ODA delivery within a common framework

*MPI: Ministry of Planning and Investment; MOF: Ministry of Finance; OOG: Office of the Government; MOFA: Ministry of Foreign Affairs; SBV: State Bank of Vietnam; MOJ: Ministry of Justice; MOC: Ministry of Construction; MONRE: Ministry of Natural Resources and Environment; LMDG: Like-minded Donor Group; 5 Banks include: ADB, WB, JBIC, KfW and AFD*

No. (1)	Outputs/Activities (2)	Vietnam (3)	Donors (4)	Schedule (5)	1	2	3	4	5	6	7	8	9	10	11	12	Note (6)
<b>I. Ownership</b>																	
<b>1</b>	<b>Vietnam remains an active participant in the international harmonization progress</b>																
1	Vietnam participates in the Morocco Conference	MPI		Feb													Funded by WB/ADB
2	Vietnam participates in the OECD-DAC Meeting of the Working Group on Aid Effectiveness on harmonization-related issues in Paris	MPI		Feb													Funded by OECD-DAC/LMDG
3	Vietnam participates in other international fora on aid harmonization and aid effectiveness issues to be held in 2004 (if any)	MPI		as scheduled													UNDP offers support
4	GoV and donors participate in the OECD-DAC Field Testing Exercise with measuring indicators of progress in Harmonization and Alignment	MPI/and relevant Vietnamese agencies	DAC members, Japan	Feb													
<b>2</b>	<b>The Government demonstrates its leadership role in driving the harmonization agenda forward at the country level</b>																
1	The Government demonstrates its active participation and the leadership role in driving the harmonization agenda forward at the country level through activities/operations of the Government-Donor Partnership on Aid Effectiveness	MPI/and relevant Vietnamese agencies		Jan-May; Jul-Nov													In collaboration with donor members of the Partnership Group
2	Report progress/outcome at mid-term and end-year CG	MPI/and relevant Vietnamese agencies		Jun; Dec													In collaboration with donor members of the Partnership Group
<b>3</b>	<b>Vietnam's management system and legal framework are strengthened to reflect results of harmonization progress</b>																
1	Strengthen the GOV ownership and GOV-donor partnership in CG meetings, and other (sectoral/local aid mobilization/coordination) fora and in partnership groups operations																
a	GOV agencies and donors recommend and discuss measures to improve mechanisms and quality of dialogue to strengthen the GOV ownership and GOV-donor partnership in CG meetings, and other (sectoral and national) fora and in partnership group operations	MPI/and relevant Vietnamese agencies	ADB, Japan, Belgium, WB	Jul-Nov													
b	Report progress/outcome at mid-term and end-year CG	MPI/and relevant Vietnamese agencies	ADB, Japan, Belgium, WB	Jun; Dec													
2	Study and suggest amendments to Decree 17/ND-CP																Ausaid funds partial study, UNDP/LMDG offers TA support
a	Donors and Vietnamese agencies comment/propose on issues/areas that need further improvements in Decree 17/ND-CP	Relevant Vietnamese agencies	LMDG, ADB, Japan, Belgium, WB, UNDP ...	July-Sep													In collaboration with UNDP support for ODA Masterplan
b	Study these comments/proposals	MPI	LMDG, Japan, WB, UNDP	Oct													UNDP offers TA support
c	Concerned Vietnamese agencies discuss on requirements for improvements of Decree 17/ND-CP	MPI/MOF/OOG/MOFA/SBV/MOJ/other relevant Vietnamese agencies	LMDG, Japan, WB	Nov-Dec													
d	The Government inform its plan on revision of Decree 17/ND-CP	Government		Dec													

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3	Study and suggest amendments to other ODA-related legal documents and their implementation																WB offers internat. TA
a	Donors and Vietnamese agencies comment/propose on issues/areas that need further improvements in other ODA-related legal documents, particularly with regard to financial management, procurement, investment and construction management	Relevant Vietnamese agencies	LMDG (procurement), 5 banks, Japan, UNDP	July-Sep													In collaboration with UNDP support for ODA Masterplan
b	Study these comments/proposals	Relevant Vietnamese agencies		Oct													
c	Concerned Vietnamese agencies discuss on requirements for improvements of different other ODA-related legal documents based on these comments/proposals	MPI/MOF/OOG/MOFA/SBV/MOJ/other relevant Vietnamese agencies		Nov-Dec													
d	The Government inform its plan on revision of different selected legal documents based on results of discussions of concerned Vietnamese agencies	Government		Dec													
<b>4</b>	<b>Capacity building on ODA management at all levels through a comprehensive capacity building program on ODA management</b>																
1	Design and approve the Program	MPI/and relevant Vietnamese agencies	LMDG, WB, ADB, Japan...	Jan-Jun													LMDG provides financial support
2	Implement the Program based on approved project document	MPI/and relevant Vietnamese agencies	LMDG, WB, ADB, Japan...	Jul-Dec													
3	Report progress at mid-term and year-end CG meeting	MPI/and relevant Vietnamese agencies	LMDG, WB, ADB, Japan...	Jun; Dec													
4	Support MPI ODA Website and relevant media (including MPI ODA bulletin) to improve their capacity for disseminating information and facilitating capacity building program																JICA offers TA support see also issue 7 on ODA Website
a	GOV proposes initiatives	MPI		Jul-Sep													
b	Donors support GOV in implementation of these proposed initiatives	MPI	Belgium, WB	Oct-Nov													
c	Report progresses at mid-term and year-end CG meeting	MPI	Belgium, WB	Dec													
	<b>II. Alignment</b>																
<b>5</b>	<b>Government and donors cooperate in implementing the 10-year plan through donors' support to the formulation and implementation of the 5-year socio-economic development plan for 2006-2010</b>																
1	Donors response to GOV's proposals on supporting the GoV in studying the socio-economic development orientations for 2006-2010	Government of Vietnam	LMDG, ADB, Japan, WB, UNDP	Jul-Nov													
2	GOV informs and consults with donors on the strategic orientations for the 2006-2010 socio-economic development plan	Government of Vietnam		Dec													UNDP offers TA support
<b>6</b>	<b>Donors review their alignment to the GOV's sector/sub-sector policies, strategies and priorities</b>																
1	Donors review aligning their sectoral policies and strategies testing the use of sector policy matrices as analytical tool		ADB (doing through CSP), Japan, Belgium, WB ...	Jul-Nov													
2	Donors report progress on alignment review at year-end CG meeting		ADB, Japan, WB ...	Dec													

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<b>III. Streamlining</b>																	
<b>7</b>	<b>Donors make their aid policies and procedures transparent and public</b>																
1	Donors formulate a plan to make public their relevant documents and materials relating to their aid policies, processes and procedures (including the provisions on planning, programming, tendering, financial management, accounting, auditing, reporting, monitoring and evaluation) as part of ODA review and draft of ODA masterplan		ADB, Japan, Belgium, WB, UNDP.	May-Aug													UNDP and JICA offer TA supports
2	GoV and donors discuss and agree upon ways to publicize the relevant information (including support to MPI to develop its current ODA Website to upload the full text of those documents on the MPI ODA Website)	MPI	ADB, Japan, Belgium, WB.	Sep-Nov													LMDG and JICA offer TA supports
3	Report progress at year-end CG meeting	MPI	Belgium	Dec													
<b>8</b>	<b>Donors review alternative aid modalities (delegated cooperation, sector budget support, etc)</b>																
1	Donors study the modalities of sector budget support, using delegated cooperation as well as other new aid modalities in association with on-going progresses in such sectors as education and forestry		LMDG, Japan, WB	May-Nov													UNDP/LMDG offers TA support
2	Report progress and outcome at year-end CG meeting	Government of Vietnam	LMDG, WB	Dec													
<b>9</b>	<b>Decentralization and delegation of power to local country offices is improved for each donor</b>																
1	Donors proceed with concrete activities to decentralize and delegate power to local offices to speed up country-level decision making process		LMDG, ADB, Belgium, WB	May-Oct													LMDG reviews TA support
2	Donors publicize their decisions relating to decentralization and provide relevant information to the MPI ODA Website	MPI	LMDG, ADB, Belgium, WB	Nov													
3	Report progress and outcome at year-end CG meeting	MPI	Belgium, WB	Dec													
<b>10</b>	<b>Specific measures are taken to reduce transaction costs</b>																
1	Reduce burdens caused by too many donor missions with the same purposes																
a	Donors provide details of the workplan of each mission on a quarterly and monthly basis, incl. their purpose and working agenda and results/findings of these missions for uploading on the MPI ODA Website		ADB, Belgium, WB, LMDG	Jul-Dec													LMDG reviews TA support
b	Report progress and outcome at year-end CG meeting	MPI	Belgium	Dec													
2	Donors develop and apply means to promote a more prominent role of domestic resources																
a	Donors develop an incentive policy for the promoted use of domestic resources in country-level development work		Belgium, LMDG, WB.	Jul-Dec													
b	Report progress and outcome at year-end CG meeting		Belgium, LMDG, WB.	Dec													
3	Donors simplify and rationalize their own procedures and systems																
			Japan	Jun-Dec													MPI-JICA "sit and talk" initiative
<b>11</b>	<b>GOV and donors consult and agree on good cross-sector practices to be applied in aid delivery in Vietnam</b>																
1	GOV and donors consult and agree on good practices to be applied in aid delivery in Vietnam	Relevant Vietnamese agencies	ADB, Japan, Belgium, LMDG, WB	Jul-Oct													(see also DAC guidelines for good practice)
2	Report progress and outcome at year-end CG meeting	Government of Vietnam	Belgium, LMDG, WB..	Dec													LMDG reviews TA support
<b>12</b>	<b>GoV and donors jointly promote understanding and awareness of managerial and technical staff on the benefits of harmonization in improving aid effectiveness</b>																
1	GoV and donors disseminate to managerial and technical staff the good practices adopted at the Rome High-level Forum on Harmonization and in other international fora	MPI/and relevant Vietnamese agencies	Belgium, LMDG, WB.	Apr-Nov													LMDG reviews TA support
2	Report progress and outcome at year-end CG meeting	Government of Vietnam	Belgium, LMDG, WB.	Dec													

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13	<b>Standardized documents and procedures are applicable to both the GoV and the donors in various program/project activities</b>																	
1	Formulate and apply standardized formats for feasibility study reports and harmonize the process for approving those documentation	MPI/MOC/ MOF and relevant agencies	5 banks, LMDG,	From Feb														In coordination with 5 banks (ADB, AFD, KfW, JBIC, WB)
2	Formulate and apply standardized formats and procedures applicable to procurement activities (such as standard bidding documents for goods, civil works and services for local competitive bidding)	MPI/ MOF and relevant agencies	5 banks, LMDG,	From Feb														Ongoing studies by LMDG and 5 banks group
3	Formulate and apply standardized formats and procedures for financial management activities (such as contract forms, letters of award, financial statement and audit reports);	MPI/ MOF and relevant agencies	5 banks, LMDG,	From Feb														In coordination with 5 banks and LMDG Group
4	Formulate and apply standardized formats and procedures for environmental and social protection/safeguard measures (such as EIA documents and general environmental development plans);	MPI/MOSTE/ MOF and relevant agencies	5 banks, LMDG,	From Feb														In coordination with 5 banks group
5	Formulate and apply standardized formats and procedures for portfolio management (including monitoring and reporting): use disbursement plans and common forms according to different types of loan/TA	MPI/ MOF and relevant agencies	5 banks, LMDG,	From Feb														In coordination with 5 banks and LMDG Group
6	Report progress and outcome at year-end CG meeting	Government of Vietnam	5 banks, LMDG,	Dec														In coordination with 5 banks group
14	<b>Project evaluation is harmonized</b>																	VAMESP, 5 Banks, Ausaid offers add. TA
1	Further develop the MPI ODA website as a measure to support donors' transparency and increase GoV's information sharing on ODA result evaluation	MPI/and and relevant Vietnamese agencies	5 banks, Belgium, AusAID	From May														In coordination with VAMESP Project
2	Develop and use of common evaluation methodology, approach and tools (such as a logframe matrix, results-based management, etc.)	MPI/and relevant Vietnamese agencies	5 banks, Belgium, AusAID	From May														In coordination with VAMESP Project
3	Collaborate in different types of evaluation (such as current status evaluation, midterm evaluation, completion evaluation, post evaluation)	MPI/and relevant Vietnamese agencies	5 banks, Belgium, AusAID	From Apr														In coordination with VAMESP Project
4	Collaborate in different levels of evaluation (such as policy level, sectoral level, program or project levels)	MPI/and relevant Vietnamese agencies	5 banks, Belgium, AusAID	From Apr														In coordination with VAMESP Project
5	Report progress and outcome at year-end CG meeting	Government of Vietnam	5 banks, Belgium, AusAID	Dec														