**VIETNAM** 

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# Decentralisation, administrative reform, strengthening the communal self-administration in Vietnam

The decentralisation and democratisation of political structures, a modernisation and reform of the administration as well as strengthening the communal self-administration are important objectives and programmes for the international cooperation of the Konrad Adenauer Foundation.

The basis for the works of the Foundation is the advocacy and support for democratic systems throughout the world, as a societal order concept, which contains respects of the citizen's rights as well as the possibilities of deeper participation of citizens.

This understanding is fundamental for the works of the Konrad Adenauer Foundation in its worldwide sphere of influence. Therefore it is very important to support efforts of other countries with regards to decentralisation and modernisation of the administration as well as to promotion of the communal self-administration and to facilitate the participation of the population in these countries in the decision-making process, particularly the democracy can be experienced and practiced most directly at the communal level.

# 1. THE ADMINISTRATIVE RE-FORM IN VIETNAM

Already in 1994 Vietnam begann with a reform of the public administration, as an aspect of the opening and decentralisation of the country. The Ministry of Home Affairs is the most important ministry regarding the implementation of the reform. Important objectives of the reform are modernisation of structures, decentralisation, transparency of administrative behaviour and democratisation. When it comes to the decentralisation in Vietnam, the local level (provincial and communal level) takes a strategic im-

portant role, because this level should be target-oriented strengthened and upgraded.

Democratic institutions are becoming increasingly more important in Vietnam. Also the topic: democracy as social system and form of life plays more and more an increasing role in this country. In the process of development and modernization of the society towards a civil society, therefore it is increasingly important to explain, discuss about and implement terms such as decentralisation, translocation of competencies and budgets, local self-administration, civil society, civic participation, grassroots democracy.

# 1.1. Grassroots Democracy Decree

By virtue of the Grassroots Democracy Decree issued by the Vietnamese government, for some years it has been increasingly possible to promote the democracy development at the communal level as well as to accompany and to discuss about introduced processes of the democratisation and modernization at this level in a scientific way.

The Grassroots Democracy Decree stipulates in detailled how the exercise of the democracy shall and can take place at the local level. It prescribes what the citizens must be informed about by the administration and in which points the citizens must be consulted. In this way a civic participation regarding important local issues can be achieved as well as monitoring communal administrative bodies can be facilitated.

# 1.2. Decentralisation and the principle of subsidiarity

Decentralisation, shifting competencies and budgets into the provinces, the



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communal level and the introduction of local (e.g. regional and communal) self-administration are becomming more and more an important part of political reform processes in countries, where the Konrad Adenauer Foundation supports programmes.

Central task fields of the promotion for decentralisation and communal self-administration are: the alteration of legal and institutional general framework, building institutional capacities, particularly at the communal and local level. The recreation of task distribution between state, private industry and civil society as well as the formation of civic participation at the local level are central topics of the discussion.

Some years ago, decentralisation programmes started in Vietnam with the partner ISOS (Minstry of Home Affairs), in order to promote the development at the communal level and to achieve more democracy and civic participation at the local level. There are mostly about questions regarding the efficiency of the local administrations as well as questions such as, how a democratic participation and examination can be implemented through the citizens.

KAS let be guided in such processes from the principle of subsidiarity, which attachs importance to the local level and the own initiative of the people living there.

# 1.3. Intended results regarding decentralisation and democratisation at the local level

Following impacts and results are expected through the promotion of decentralisation and strengthening local self-administration:

- Public services shall be provided more equitably, with better quality and more efficiently as well as be changed flexibler in accordance with local needs and conditions.
- The public administration shall be examined more efficiently thanks

to the closeness to citizens. In combination with a strengthened internal self-control of the administration it can make a contribution to reduction of corruption and to an improved management and distribution of resources.

- Due to a local self-administration and improved participation possibilities for the population democratic processes at the local level can be pushed, promoted and consolidated. That's why the democratic development of the whole State can be strengthened and supported.
- Stronger local self-reliance provides chance for the development of a dynamic local economic zone, because it responses better to the specific potentials of the each commune or region and measures for economic promotion can be implemented more target-oriented, so that an important contribution can be made especially also for the evolvement of self-helf initiatives of the poor population and for emergence of new entrepreneurial activities.
- Decentralisation and democratisation increase the chances regarding participation of verious (ethnic, political, economic, social, religious) group of interests at the local level and therefore can help to reduce the societal conflict potential and to facilitate a harmonic coexistence.

# 2. INSTITUTIONAL CAPACITY BUILDING AT THE LOCAL

Preconditions for a successful decentralisation:

> Decentralisation can be successfully implemented only, if willingness towards reforms is available at the state bodies (such as minis-

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tries, provincial administration and in communes), if administrative tasks are transferred really to local organisational units and if a part of the political self-determination is transferred to the communal level. In this context tasks and adequate resources (personnel, equipments, financial capital) must be shifted to the local levels.

- Decentralisation can be successfully implemented only, if responsibility is taken at the local level (in the provinces and communes) and if institutional capacities are built, so that the new responsibility and new tasks also can be mastered.
- Decentralisation can be successful only, if the local level is enabled, under financial, legal and logical aspect, to fulfil the new tasks together with the population and to citizen's satisfaction.

# 2.1. CITIES AND COMMUNES AS IMPORTANT ADMINISTRATIVE UNITS

In Vietnam there is already a first transfer of competencies of the central government to the provincial level. Nowadays the involvement of the level of communes and cities is being discussed and prepared. This step will be the more important and more difficult in the efforts regarding decentralisation and administrative reform.

Cities and communes are in Vietnam also the first and the lowest organisational level in the state structure. At this level the state is closest to its citizens. The approbation to state acting and take-over of responsibilities by citizens and industries can be achieved through clear objectives, convincing course of action and transparency in the implementation. Thereby various interests and conflicts must be weighed out against each other. Decisions on superior objectives must be made.

City development, regional development and communal development take place in

an environment of diversified stakeholders, which can be consolidated organisations, informal institutions or loose coalition from politics, administration, citizenship and businesses. Public authorities, associations, federations, NGOs, enterprises, trade unions, churches and many others pursue specific interests, and stand in different power relations to each other and want to participate in decisions over the resource allocation.

The democratisation taking place in many transformation coutries like Vietnam produces an additional pressure for actions in cities and communes. You must develop a new understanding regarding the government and administration, which is politically suppressed until now: namely as mayors and administration staff you build up organisations, plan, direct and coordinate the development at the local level in your own initiatives.

At the local level income opportunities must be created and the life quality of the population must be improved. Both aspects are influenced mainly by the infrastructure (health, housing, water, waste water, electricity etc.) at the local level. Besides adequate income opportunities, houses, roads, hospitals and schools are pivotal for the satisfaction of citizens in their areas of life.

Also in Vietnam now mayors and administration staff shall be suddenly able to formulate own policy for their problems and objectives as well as to implement the principles of good governance, first of all cost effectiveness, performance, transparency, open reports and civic participation at the communal level. For this purpose new roles of the state, region, city, business and citizens must be very often practiced and their relations to each other must be renegotiated. It is no surprise that with this many cities and communes are overstrained.

In order to fulfill development programmes at the local level, targeted programmes on poverty reduction are to be implemented in a country with high poverty rate (15% of the Vietnamese population). These pro-

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grammes, most of them with economic orientation or being targeted to infrastructure measures for the poors, can be developed and implemented only in collaboration with concerned poor population. The interaction of civil society and local administration is of vital importance. Sustainable development at the local level, poverty reduction and democratic participation of the concerned population are interdependent substantially.

Cities and communes often - it is also the case in Vietnam - cannot build up their administration capacity and their finances so fast in comparison with the number of their inhanbitants, area and problems. Insufficient organisation, lack of experiences or low qualification of administrative staff limit the performance tremendously. Responsibilities are very often unclear or not regulated at all. Previewing and planning acting is underdeveloped in many cases. A service orientation of civil servants cannot be seen. Public bodies considered themselves in the role of "Order Givers" - democracy and civic participation are new and unaccustomed concepts for Vietnam.

# 2.2. Civil society

In the former socialist system of Vietnam little attention was paid to civil society. Nowadays the Vietnamese government tries to elaborate a legal framework, in order to facilitate activities of civil society. NGOs and own initiatives of citizens shall be enabled to take an increasingly more important role in the society as well as to become partner of the government and especially of local administration in the development and democratic process.

# 2.3. Implementation problems

Many administrations in Vietnam are neither able to prepare decisions on city development measures or annual budget democratic legitimized on a solid subject-specific base, and even less administrations nor to implement these measures accordingly. But in the course of decentralisation processes cities and communes must continue taking over furthers tasks, which belonged to the central government, such as supply of ac-

commodations or provision of infrastructure like roads, schools, hospitals. Local environmental protection, settlement of enterprises or business promotion are likewise new and important communal tasks which are added to the communal level.

In conducting the decentralisation in Vietnam it is important to bring all stakeholders at the communal level together and to discuss with them on problems and solutions patiently and in a subject-specific competent way. Set of regulations is needed, whereby rules of the game for coordination processes are determined and warrant all stake-holders equal and fair chances. By doing so government and administrative acting is becoming democratic and transparent.

In the future planning, decision-making and implementation of projects shall take place in Vietnam in understandable procedures. Public reports and transparency with regards to decisions on goods and services, projects and the way dealing with resources shall be as a matter of course. Only doing so criteria of a good communal governance can be fulfilled.

In order to realize local democracy, cities and communes require supporting general framework. The policy of the central government and especially the Ministry of Home Affairs must creat necessary legal financial and institutional preconditions for a real decentralisation and democratisation and also implement them.

# Partner of the Konrad Adenauer Foundation in the implementation of the decentralisation and strengthening the local level

In Vietnam the Konrad Adenauer Foundation has been working for some years (since 2002) with the Ministry of Home Affairs together, especially with the Think Tank of the Ministry, with a somehow awkward name: Institute of State Organizational Science (ISOS).

This co-operation with the Ministry led later on to a co-operation with the Association of

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Cities Vietnam, whereby first concrete and common measures began in 2005.

# 3.1. The ISOS partner project

As part of the Ministry of Home Affairs, ISOS conducts studies and developments suggestions and drafts for the Ministry. The Vietnamese structures which were centralistic until now, are to be reduced with support of this project. Competencies are newly distributed and especially the local level shall and must strengthened due to this reform. ISOS prepares suggestions regarding re-organisation of the public service and modernization of the administration in Vietnam.

# Objectives and tasks of the KAS and ISOS programme

Objectives and central fields of tasks of the promotion for the decentralisation and communal self-administration in Vietnam are: changing legal and institutional basic conditions, build-up of institutional capacities, primarily at the local level, restructuring task distribution between the State, private business and civil society as well as design of ciciv participation at the local level.

Modernization and decentralisation of the administration are important components in the transformation phase of Vietnam, in order to build up democratic structures. By publishing and distributing monthly review, important information can be disseminated (for example new legal regulations are introduced) and discussions can take place also at the local level.

# Concrete measures:

In the last years the following measures were made together by KAS and ISOS:

With support of the Foundation, ISOS publishes a monthly Public Administration Reform Newsletter in English and Vietnamese language.

Important seminars took place:

- The administrative rearrangement of the country;
- The rearrangement of the public administration;
- Communal planning and urban land-use planning;
- Budget planing at the communal level;
- Improvement of range of services by the public administration;
- The role of the central state, provinces and communes;
- "One stop shop" as principle of the communal administration;
- Improvement of the payment and careers for civil servants;
- Regional restructuring of the provinces.

The measures which were implemented in co-operation in the last years, have made a contribution to strengthening the local administrative units, in order to creat a grounding for the regional and decentral restructuring.

# Achievement of objectives:

- The restructuring of the public service and the reform of the public administration haven't finished yet, but were a tremendous step forwards thanks to the ISOS project;
- The decentralisation moves forwards;
- Through strengthening the local level, the communes gain in importance;
- Democratic decision-making processes appear and develop slowly and resident-friendly administrations are built.

# Contact person at ISOS:

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# 3.2. Vietnamese Association of Cities, ACVN

Since 2005 the Konrad Adenauer Foundation has been supporting the Association of Cities Vietnam, in order to enhance its performance and to bundle the interests of its members as well as to sensitize in the Vietnamese political system for the interests of local organizations (cities and communes).

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The Ministry of Home Affairs and the partner ISOS implement (as above-mentioned) the main features of the decentralisation in Vietnam. The Vietnamese Association of Cities as representative of the local level, plays an increasingly role in the implementation of administrative reforms.

Objectives and tasks of KAS and ACVN programme

In the co-operation of the Konrad Adenauer Foundation with the Vietnamese Association of Cities which attains new competencies through the reforms, the local selfadministration is improved. Some important points to be mentioned in this context: building-up institutional capacities at the local level, restructuring the tasks and task distribution and design of civic participation at the local level. Through improved participation opportunities of the population, democratic processes can and should be promoted at the local level.

The Vietnamese Association of Cities was established in 1992 as a semi-state association representing 72 cities in Vietnam. In the position as representative of cities, ACVN is a suitable organisation for implementation of renovations at the local level, for bundling and disseminating experiences gained as well as for supporting promising developments.

Essential tasks and objectives of ACVN and KAS are below:

- To promote communal selfadministration, especially cities and communes
- To work out common interests of cities and communes and to reprepresent them towards third parties
- To advise and to care for its members
- To maintain exchange of experiences between cities and communes

 To promote understanding of communal interests in the public

Joint seminar measures of ACVN and KAS in the past years:

- Market economy structures at the communal level
- E-Government at the local level
- Professionalisation of the Association of Cities
- Embellishment of the overall appearance of the communes
- City development planning
- Urban land-use planning and city development
- "Immigration" of rural areas into cities
- The concept of central sites
- Climate change: impacts on communes in Vietnam
- The role of a mayor in the administration
- Civil society and civic participation
- Self-administration and proprietarily financing of communes
- Civic participation in the tourism planning

The measures which have been conducted so far regarding communal development planning, boost the quite young and still inexperienced Association of Cities and help the mayors and the local administrative staff to implement the tasks assigned better for the citizens.

# Achievement of objectives:

 The cities and communes are able to elaborate partizipative development plans better.

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- The civic participation was improved at the communal level.
- The democratic participation was inspired at the local level and the democracy development was promoted.
- A further part of the decentralisation and administrative reform was implemented.

Structure and address of the Vietnamese Association of Cities:

The president of the Association of Cities of Vietnam is:

Chairman of Hanoi People's Committee:

Mr. Nguyen The Thao

ACVN's Secretariat:

- 1. General Secretary: Prof. Dr. Nguyen Lan
- 2. Vice-general Secretary: Asso. Prof. Dr. Vu Thi Vinh
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