



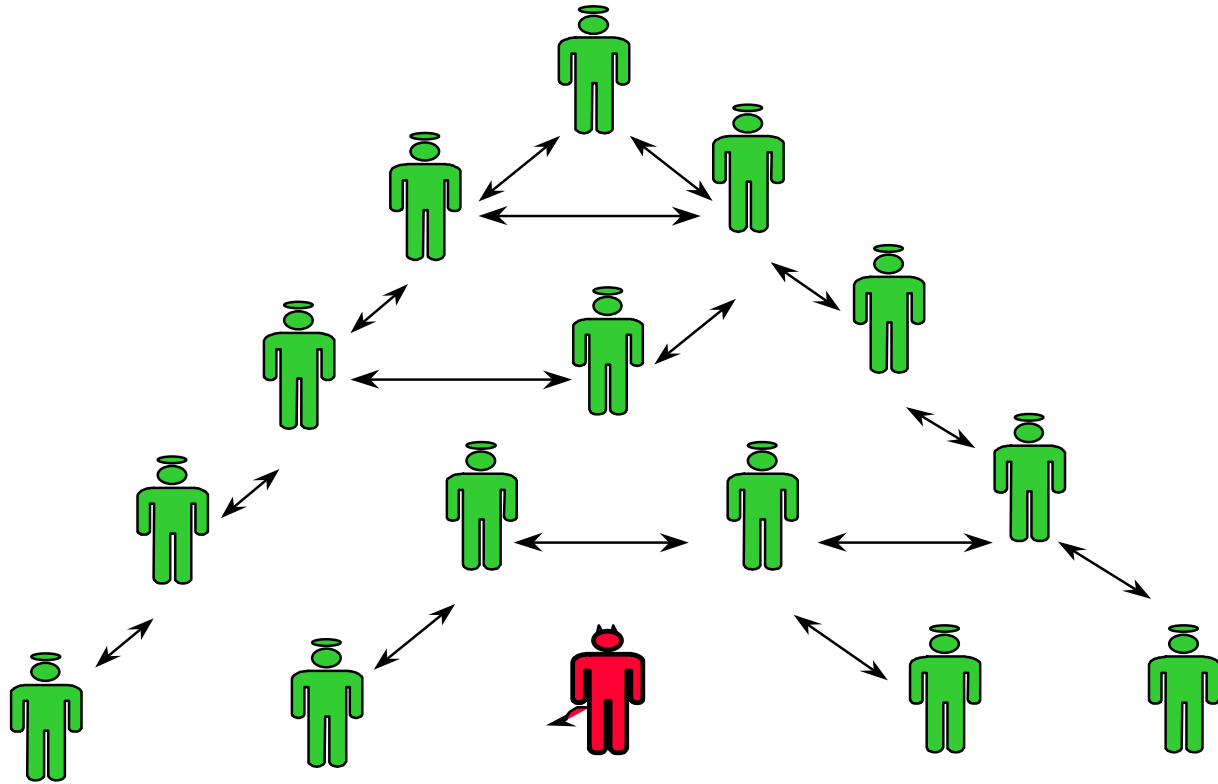
*Citizen Engagement
to Improve Governance in
Vietnam's Water Sector.*

Water Integrity Forum
Delft, 5-7 June 2013

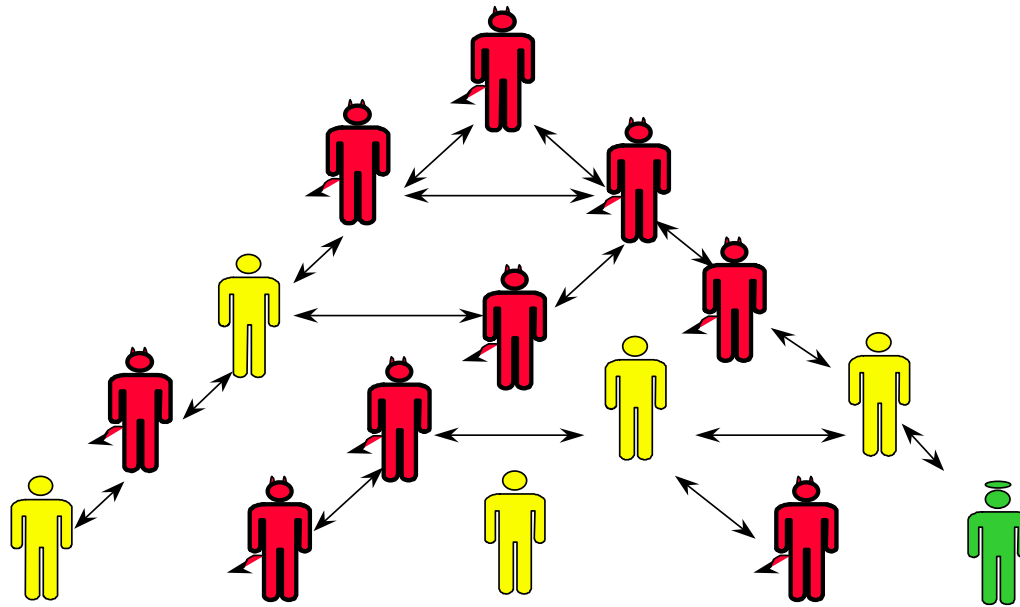
Per Ljung
pljung@eastmeetswest.org.vn



Most Anti-Corruption Approaches Target Individual Corruption



While the Real Problem Is Systemic Corruption






Features of Systemic Corruption

- Accepted “price lists”
- The sucking sound from the top
- Paying for posts/promotions
- Sharing of the “spoils”





Different Sectors, States and Times Still the Same

- **Irrigation:** *“By long-established convention 8-1/2 per cent of each contract is kicked back” (Wade, 1982)*
 - **Water Supply:** *“The value of kickbacks paid was fairly consistent among the sites we investigated—between 6% and 11% of the contract value” (Davis, 2004)*
- 



Standardized Payments

One contractor produced **a laminated card** upon which he had written the **payment schedule for kickbacks.**

“It is too hard to remember all the rules”

he explained.

(Davis, 2004)





Standardized Payments (2)

Ranges of “Envelope” Payments to Health Workers in Vietnam (USD)

| Hospital Type | District | Provincial | Central |
|----------------------|-----------------|-------------------|--------------------|
| Doctors | 10.00 | 10.00 | 25.00-50.00 |
| Nurses | 1.00 | 1.00-2.50 | 2.50 |
| Orderly | n.a. | 0.25 | 1.00 |






The Sucking Sound from the Top

- *“When the Minister demands more money the EE divides the amount to be raised between his AEs” (Wade)*






The Sucking Sound from the Top: Paying for the Post

- Wade: *“So on the deltas an EE may pay up to 14 times his annual salary for the two-year tenure of certain O&M posts; on the uplands, three times or less”*
 - Davis: *“Staff ... have developed a remarkably sophisticated calculus to estimate the value of a particular post (its extra-salary revenue generating potential) and thus the maximum amount they are willing to pay to secure a transfer”*
- 



Revenue (& Cost) Sharing

- *“2-1/2 per cent to the EE, one percent to the clerical staff and draughtsmen; and five per cent to the Supervisor and AE to be split between them” (Wade)*
 - *“In one agency the schedule of payments is 1% of the contract value to each of six or seven staff members, starting with senior engineering staff and ending with the technical field supervisor” (Davis)*
- 



Petty Corruption, not so Petty


Bangladesh Electricity Sector mid-2000s:

- Grand Corruption USD 30-50 M
- Petty Corruption USD 100 M





Rural Water Supply in Vietnam

- JMP for 2011: 94% access to improved water (Government: only 40% meet MOH standard)
 - 9% piped into dwelling
 - Provincial Centers for Rural Water Supply and Sanitation (pCERWASS) build systems
 - Commune People's Committees (CPC) manage systems under different models
 - O&M is a major issue => many systems "die" prematurely
 - Service and water quality quite poor
 - Only half of systems are "sustainably" operated
- 



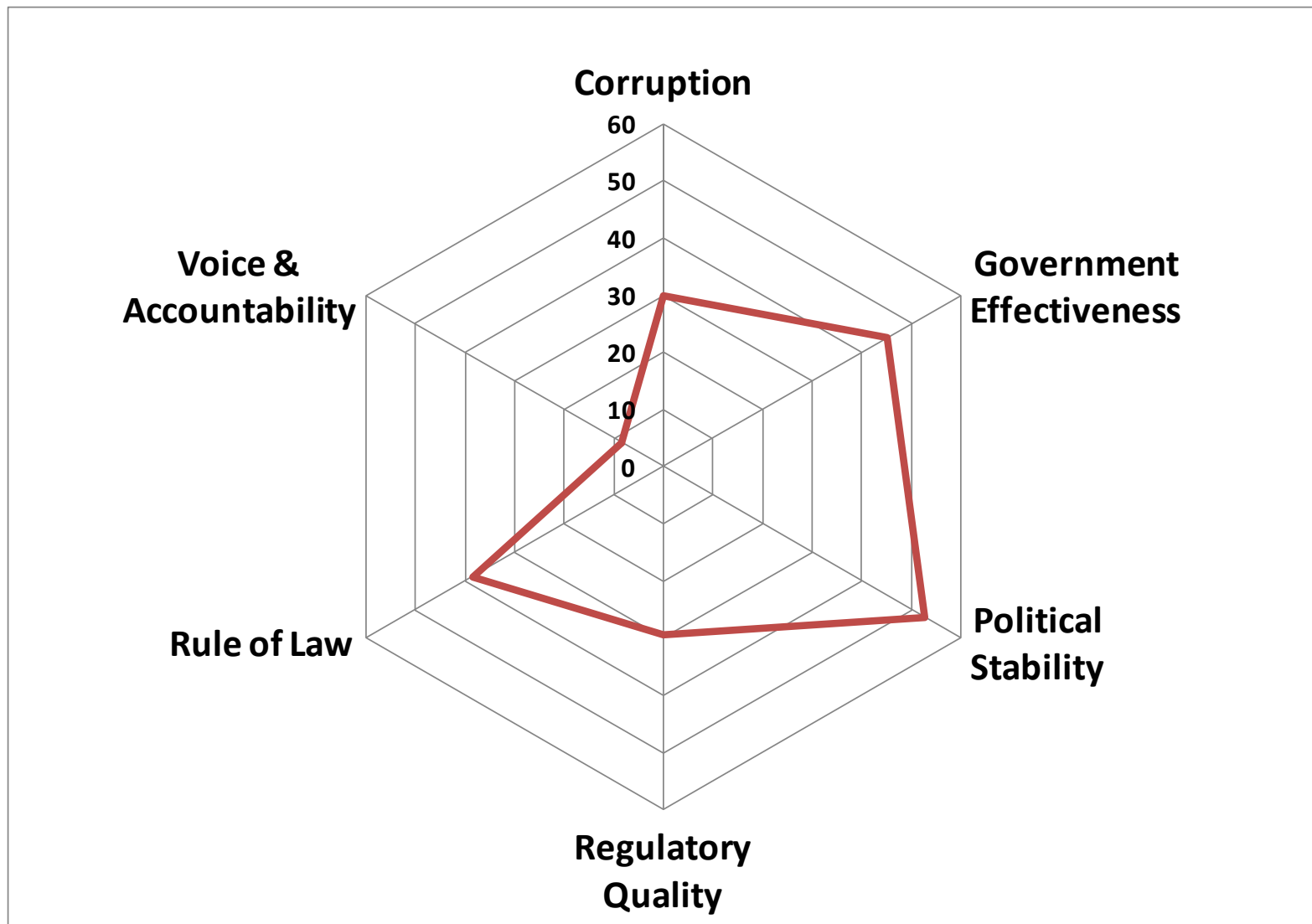
How to Tackle Corruption in Vietnam

In a recent UNDP report (2009) Dr. Martin Gainsborough and Dr. Đặng Ngọc Dinh concluded:

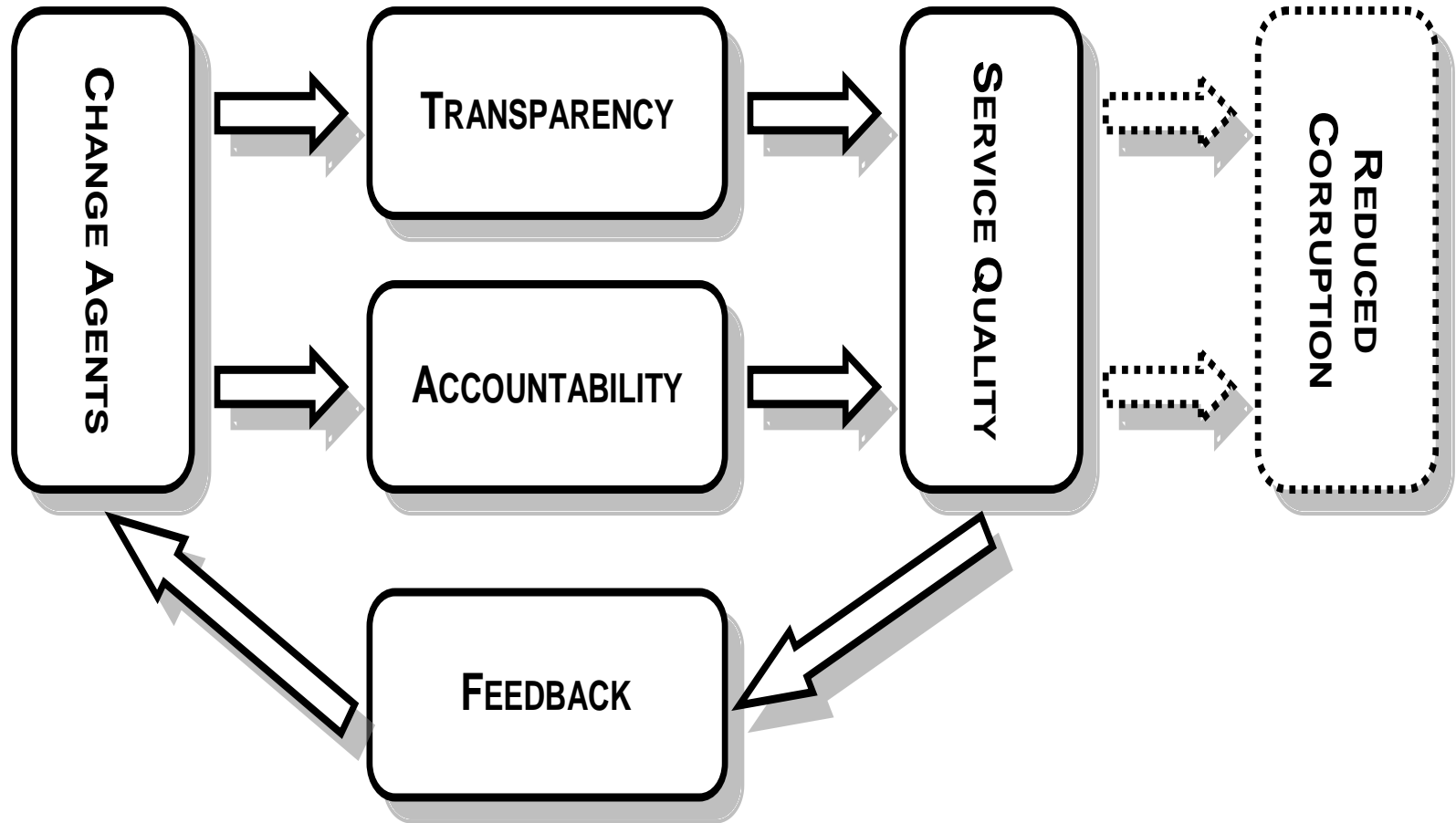
*“... the key objective over time being to make the system **more accountable** ... prioritize above all else... **increasing transparency**. Strengthening the role of civil society and the media... is also critical to ... making the system more accountable.”*



Vietnam: Governance Indicators

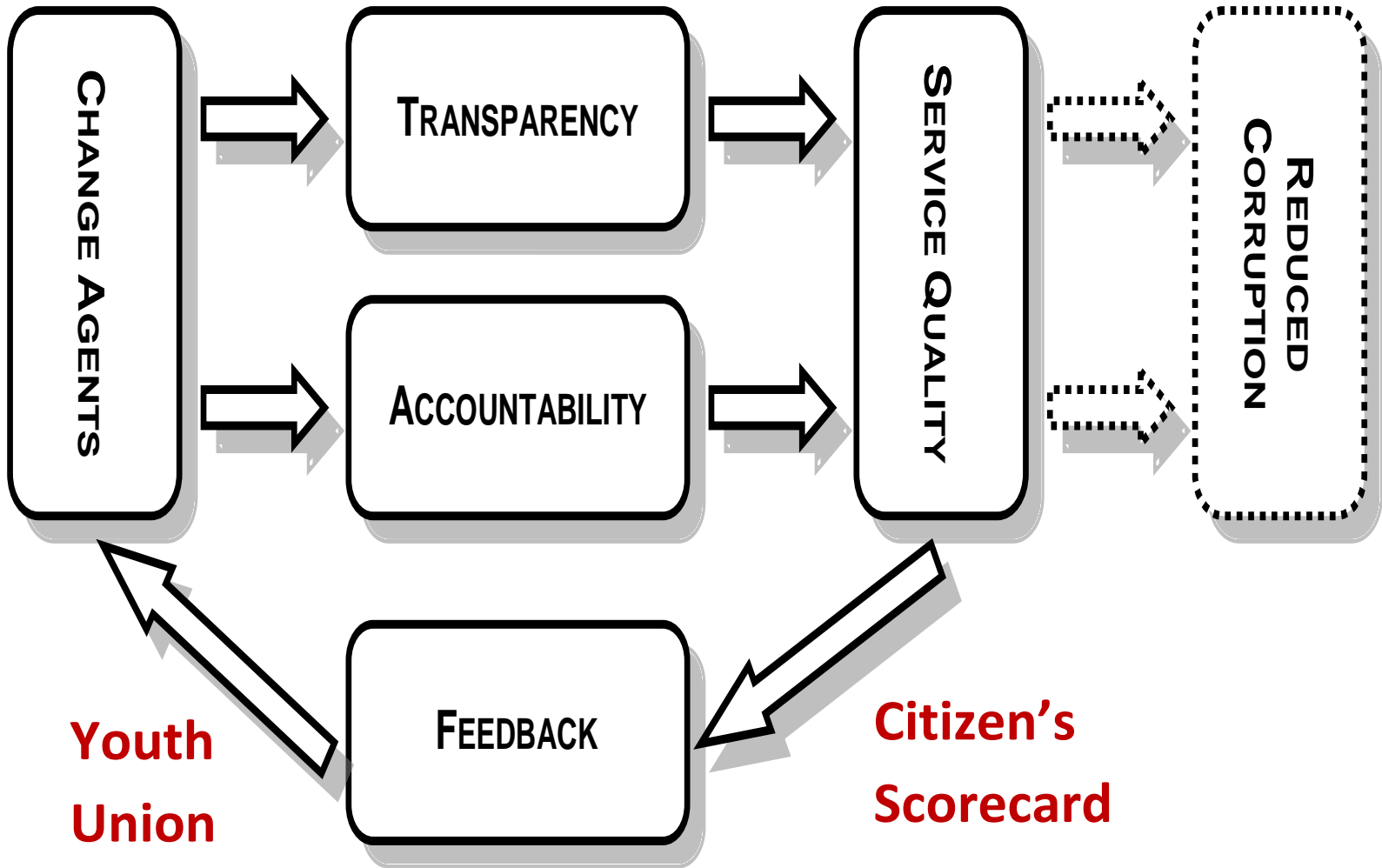


Theory of Change in Water Supply





Improving Governance



**Youth
Union**

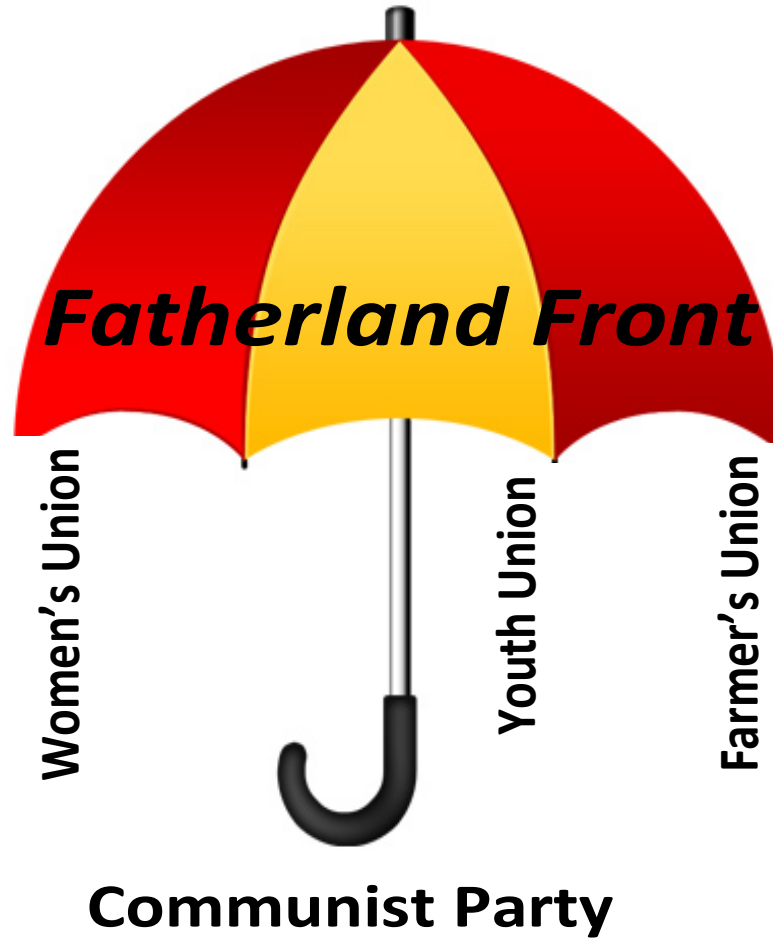
**Citizen's
Scorecard**






Mass Organizations in Vietnam

Free Photoshop PSD file download - Resolution 1280x1024 px - www.psdgraphics.com






Basic Approach

- Problems with Citizen's Scorecards
 - Too costly (professional survey)
 - Done only once (or twice, at best)
 - Donor/externally driven
 - How do we get around this?
 - Low cost (volunteers from Youth Union)
 - Embed the scorecard in a credible, politically acceptable local organization
 - Why would anybody care?
- 



Basic Approach (2)

- Ranking of the 63 provinces
 - Publicity
 - Competition among provinces
 - Provincial Competitiveness Index
(USAID => Chamber of Commerce)
 - Public Administration Performance Index
(UNDP => Fatherland Front?)
 - Reinforce the message locally
- 



Elements of a Scorecard for Water

- *Network quality*
 - Continuity of supply
 - Interruption of supply
 - Daytime pressure indicator
 - *Water quality*
 - Water smell & taste
 - Water color
 - Sand and foreign bodies
 - *Customer service quality*
 - Courtesy of concessionaire
 - Effectiveness of complaint resolution
 - Speed of resolution of complaint
 - *Public information*
 - New projects
 - Service interruptions
 - Service standards
- 