

Mid-Term Evaluation of AECID-UNDP Strategic Partnership Initiative

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List of Abbreviations

AECI/AECID	Spanish Agency for International Development Cooperation
CEU	Country Economic Unit
DFID	Department of Foreign and International Development
DPI	Department of Planning and Investment
HIV	Human Immune-deficiency Virus
IPSARD	Institute for Policy Studies in Rural Development
IT	Information Technology
MDGs	Millennium Development Goals
MOF	Ministry of Finance
MOHA	Ministry of Home Affairs
MOLIS:	Ministry of Labor, War Invalids and Social Affairs
MPI	Ministry of Planning and Development
NCFAW	National Center for the Advancement of Women
NTP	National Target Program
PAR	Public Administration Reform
PAR/AC	Public Administration Reform /Anti-Corruption
PAR-MP	Public Administration Reform Master Program
PCGs	Program Coordination Groups
PMU	Project Management Unit
SEDP	Socio-Economic Development Plan
SLGP	Strengthening Local Government Project
SPI	Strategic Partnership Initiative
TOR	Terms of Reference
ToT	Training of Trainers
UNDP	United Nations Development Program
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
VASS	Vietnam Academy of Social Sciences
VAT	Value Added Tax
VCCI	Vietnam Chamber of Commerce and Industry
VDGs	Vietnam Development Goals
VFF	Vietnam Fatherland Front

Section I Executive Summary

1. Brief Description of the Project

In 2007, the United Nations Development Program (UNDP) and the Spanish Agency for International Development Cooperation (AECID) together approved a Strategic Partnership Initiative (SPI) for Poverty Reduction in Vietnam (2007-2010). The primary purpose of this SPI is to enhance and increase support to the Government of Vietnam in achieving its development goals (VDGs), and specifically, its Millennium Development Goals (MDGs). Another is to promote the UN and UNDP roles in Vietnam and thus to foster UN reform at the country level by supporting the implementation of UN joint programs. The AECID-UNDP SPI includes three key components: the UNDP component of the UN's Kon Tum Project; policy research and dialogue; and emerging priorities. The UNDP component of the UN's Kon Tum Project focuses on planning-linked-with-budgeting, while the policy research and dialogue component focuses on issues of economic development, public administrative reform/ anti-corruption, and climate change. The SPI's "emerging priorities" component serves to support newly emerging issues not previously included in the other two programs.

2. Context and Purpose of the Evaluation

Although annual reviews by the UNDP and AECID are regularly carried out to assess the progress of the SPI, the SPI Project Document also calls for a mid-term review. The purpose of this evaluation is to assess the overall implementation of the SPI, review lessons learned so far, and generate discussion among relevant partners on further initiatives that may be incorporated into the working plan for the remainder of the SPI.

3. Main Conclusion, Recommendations, and Lessons Learned

The SPI has fulfilled its two purposes. It has strengthened the UNDP's support to the government of Vietnam in achieving both the Millennium Development Goals (MDGs) and Vietnam's Development Goals (VDGs). It has also provided opportunities for different UN agencies to work closer together and thus has directly helped foster the One-UN Initiative.

While the SPI arrangements are suitable as mechanisms for the UNDP to strengthen its support to the Vietnamese government, there remain implementation challenges that need to be addressed for the SPI to have a sustaining impact. For the SPI framework, the key challenge centers around the development of an indicator system that quantifies the success of the two SPI purposes. For each SPI component, the key challenge is the clarification of an expected outcome, the fine tuning of implementation methods, and the development of a more rigorous impact monitoring system.

The report puts forth two sets of recommendations. The first deals with SPI arrangements while the second deals with the strengthening the SPI's three components at the operational level. In summary, in regard to SPI arrangements, the report recommends:

- AECID and UNDP should compile an annual master plan to use as a tool to monitor the SPI as well as each of its components.
- AECID and UNDP should agree on how to measure progress toward the two purposes of the SPI in preparation for the final evaluation. During the remainder of the SPI, AECID and UNDP should regularly monitor the extent to which SPI arrangements contribute to the two purposes of enabling the UNDP to assist the Vietnamese Government effectively while promoting the One UN initiative.
- Information on the three SPI components, that is, achievements and challenges of the UNDP component in Kon Tum, activities and results of policy research and policy dialogue, and regulations for emerging priorities support be shared with relevant Vietnamese partners and potentially interested participants.
- Relevant UN agencies and AECID consider each SPI component as a window of opportunity for the promotion of the One UN Initiative.

Based on the examination of the three SPI components, the report puts forth the following recommendations with an aim to strengthening the effectiveness of the three components during the remainder of the SPI term:

- To clarify the strategic directions, to review the expected scope of change at the local and national level, and to amend implementation mechanisms of the UNDP component in Kon Tum.
- To clarify the short and long term roles of political advisory groups in order to identify strategies for their consolidation.
- To identify short and medium term strategies for the policy research and dialogue component with emphasis going to entry and exit points for engagement as well as methods for tracking influence.
- To clarify the roles of the UNDP in policy advocacy and implementation and how to balance the two.
- To strengthen the local governance component, either through (1) the incorporation of local governance aspects into agendas on economic development, public administration reform, anti-corruption, and climate change; or through (2) the revival of a full-time or a part-time/a one-person or a team-based local governance policy advisor position.
- To consider key local governance issues raised in Annex IV of this report as the basis for future policy agendas as well as the development a list of “emerging priorities”.
- To initiate a dialogue with government agencies on local governance issues.
- To design a master plan for monitoring the impact of issues which fall under the rubric of "emerging priorities".

The report identifies the two lessons which can serve as the basis for the implementation of the SPI during the remainder of its term:

Previously, the UNDP had a Strategic Partnership Initiative with the United Kingdom’s Department of Foreign and International Development (DFID). As the past and the present SPIs both support policy research and policy dialogue, the AECID-UNDP SPI may learn from successes and shortcomings of the preceding SPI model. Nevertheless, the AECID-

UNDP SPI has broadened the scope of its partnership, leading to two key differences between the two SPIs. The first difference is that the DFID-UNDP SPI mostly supported UNDP projects while the AECID-UNDP SPI supports a joint UN project. The difference is evident in project management and transaction costs. The second difference is that the AECID-UNDP has a component called “emerging priorities”, a component that was not part of the earlier DFID-UNDP partnership. These new initiatives should be regularly reviewed for the remaining term of the SPI.

Secondly, the three components of the SPI provide opportunities for UNDP and other UN agencies to work together. In implementing the UN Joint Project in Kon Tum, for example, the three UN organizations is given an opportunity to interact with each other and understand each other’s regulations. This is a preparatory step for their integration in the One UN as they can anticipate how to adapt themselves or produce adequate programs designed to work with partner regulations. Opportunities for the UNDP and other UN agencies to work together at the implementation level help foster the concretization of the One UN initiative.

Section II Introduction

1. Purpose of the Evaluation

The purpose of this evaluation is to assess the implementation of the AECID-UNDP SPI for Poverty Reduction in Vietnam and generate discussion among relevant stakeholders on possible new initiatives to incorporate into the working plan for the remaining SPI term.

2. Key Issues Addressed

In reviewing the outcome of the SPI during its first years of operation, the Evaluation Team has relied on the SPI's two main purposes as the starting point: to support Vietnam's Development Goals (VDGs) and Millennium Development Goals (MDGs), and to support the One UN initiative. The Team asked how the three SPI components contribute to achieving the VDGs and MGDs at the national and local levels (Table 1). The Team also asked how the three components of the SPI are carried out within the One UN initiative in a way that realizes the initiative's guiding concept. While addressing the different components of the SPI, the Team did not intend to evaluate each individual component *per se*. A more thorough analysis of the contribution and outcome of each SPI component should be carried out separately.

Table 1 MDGs and VDGs¹

MDGs	VDGs
1. Eradicate extreme poverty and hunger	1. Reduce the percentage of poor households
2. Achieve universal primary education	2. Universalize education and improve educational quality
3. Promote gender equality and empower women	3. Promote gender equality and women's empowerment
4. Reduce child mortality	4. Reduce birth rate, child mortality and child malnutrition
5. Improve maternal health	5. Improve maternal health
6. Combat HIV/AIDs, malaria and other diseases	6. Reduce HIV/AIDs infection and eradicate other major diseases
7. Ensure environmental sustainability	7. Ensure environmental sustainability
8. Develop a global partnership for development	8. Ensure infrastructure development for the poor
	9. Job creation
	10. Develop culture and information to improve

¹ Based on the MDGs and Vietnam's own orientation, Vietnam has set up 12 development goals (referred to as Vietnam's Development Goals or VDGs). The VDGs are integrated into the Nation's socio-economic development strategies and programs, and provide a basis for facilitating implementation of the MDGs. The Vietnamese government has issued several documents to implement both MDGs and VDGs.

	spiritual life of people; preserve culture of ethnic minority groups
	11. Reduce vulnerability and develop social safety nets to support the poor and the disadvantaged
	12. Promote further public administration reform and legal information provision for the poor.

Source: *Vietnam Achieving the Millennium Development Goals*, August 2005.

3. Methodology of the Evaluation

Various research methods have been employed to gather information. In order to prepare the SPI mid-term evaluation report, the Team carried out desk and field studies in the month of June, 2009. It reviewed documents related to the SPI and interviewed AECID and UNDP staff members in Hanoi. To gather information on the Kon Tum project as well as issues related to local governance, the Team conducted a field study in Kon Tum province from the 10th to the 20th of June. Finally, in early August, the Team had meetings with the Ministry of Home Affairs (MOHA) and the Ministry of Finance (MOF) to discuss upcoming central policies that may shape local governance.

4. Structure of the Evaluation

In presenting the information gathered, the team has adhered to the structure of the report suggested in the Terms of Reference (TOR). The report consists of the following sections:

Executive Summary

- Brief description of the project
- Context and purpose of the evaluation
- Main conclusion, recommendation, and lessons learned

Introduction

- Purpose of the evaluation
- Key issues addressed
- Methodology of the evaluation
- Structure of the evaluation

The Partnership and its development context

- The Partnership's beginning and its duration
- Expected results and main contributions to Vietnam
- The immediate and development objectives of the Partnership
- Main stakeholders
- Results expected

Findings and conclusion

- Partnership formulation
- Project Implementation

- Project results

Recommendations

- Corrective actions for the design, implementation, monitoring and evaluation of the Partnership
- Proposal for following up directions underlining main objectives

Lessons learned

- Best and worst practices in addressing issues relating to relevance, performance and success

Annexes

- Terms of Reference (TOR)
- List of persons interviewed
- List of documents reviewed
- Evaluation report on local governance

Section III The Partnership and Its Development Context

1. The Partnership and Its Duration

In 2007 the United Nations Development Program (UNDP) and the Spanish Agency for International Development Cooperation (AECID) together approved a Strategic Partnership Initiative (SPI) for Poverty Reduction in Vietnam (2007-2010).² 3.8 million Euros have been approved for this purpose over a four year period, and the SPI's output will serve as the framework for the further allocation of these funds. The UNDP will use resources as part of its regular annual planning process. The AECID provides input for the SPI components and monitors the SPI through annual meetings.

Based on the UNDP's considerable experience in areas of reform, the SPI's outputs will include the following sectors critical to sustainable poverty reduction:

- (a) Strengthening democratic governance, civil participation and institutional development, particularly at local levels
- (b) Supporting social transformation by meeting basic social needs, particularly for disadvantaged and minority groups
- (c) Promoting businesses and the private sector
- (d) Introducing environmentally sustainable practices in rural communities.

The AECID-UNDP SPI has been developed to include three key components: the UNDP component of the UN's Kon Tum Project; policy research and dialogue; and emerging priorities.

The UNDP component of the UN's Kon Tum Project is an element of the four-year UN Kon Tum Project jointly formulated and operated by the UNDP, UNICEF, and the UNFPA and approved in April, 2007. The UN component focuses on planning linked with budgeting and comprises six outputs:³

- Local capacity in planning and budgeting defined; research/analysis of local SEDP available
- Improved knowledge and skills of provincial, district and commune level partners and decision makers in evidence-based and participatory planning and budgeting ensuring linkages of resource allocation with local priorities and needs
- Improved capacity of People's Council members in overseeing the local SEDP process –planning and resource allocation and monitoring the implementation of the plan
- Management of investment project is gradually and systematically decentralized with increased ownership at the district and communes

² “Strategic Partnership between Spanish Agency for International Cooperation and Development (AECID) and United Nations Development Program for Poverty Reduction in Vietnam (2007-2010), Memorandum of Understanding”, Hanoi, May 2007.

³ See UNDP-Vietnam and People's Committee of Kon Tum Province, “Kon Tum – UN Development Project: A Joint UN Project with People's Committee of Kon Tum Province,” Detailed Project Outline, 2007-2010.

- Management of the provincial socio-economic data strengthened with improved system for collection and analyses, management and to increase access to the public in general
- Provincial SEDP analyzed and reviewed at the end of the project period to assess its effectiveness in terms of evidence-based, pro-poor and participatory planning and budgeting

The policy research and dialogue programs had been carried out by the UNDP prior to the inception of the AECID-UNDP SPI. During the current partnership, SPI resources have been used to support policy research and dialogue in the areas of economic development, public administrative reform/anti-corruption, and climate change. In contrast to the UNDP Kon Tum component, there is no specific time period for the policy research and dialogue component. The Team understands that the policy research programs will continue throughout the term of the partnership.

The SPI's "emerging priorities" component serves to support new issues not previously included in the other two programs. In 2008, the emerging priorities area supported by the SPI framework included the organization of an independent mid-term evaluation review and the re-printing of gender mainstreaming guidelines by the National Center for the Advancement of Women (NCFAW). In 2009, as of the time of this review, the proposed areas for support included the review of the current Government's poverty reduction policies and support for the development of Vietnam's social security strategy.⁴ Similar to the second component, there is no specific time period for this component and it is generally understood that this component will remain for the duration of the partnership.

2. Expected Results and Main Contributions to Vietnam

The primary purpose of the SPI is to enhance and increase support to the Government of Vietnam in achieving its development goals and the Millennium Development Goals (MDGs). Another purpose of the SPI is to support a more effective UN and UNDP role in Vietnam and thus to foster UN reform at the country level by supporting the implementation of UN joint programs.

3. Immediate and Development Objectives of the Partnership

Given the fact that the SPI arrangements are manifested through the activities of three components, the immediate and development objectives of the SPI are fundamentally related to the objectives of the three SPI components. Table 2 summarizes the three components' objectives, drawing from project documents, reports, and interviews. The objective of the UNDP Kon Tum component is clearly stated in the joint UN project document.⁵ There is no one document which compiles the objectives of the different policy research and policy

⁴ See "Minutes of Meeting on Midterm Review, AECID and UNDP – 19 January 2009" and "Request proposal on funding for research and policy dialogues on poverty reduction policy and social security strategy in Vietnam, UNDP- 8 April 2009.

⁵ UN Vietnam, "Detailed Project Outline: Kon Tum UN Development Project," 2007.

dialogue topics *per se*. The objectives of the policy research and policy dialogue are found in different policy advisors' terms of reference, their work plans and result frameworks of specific research undertakings.⁶ The objective of the “emerging priorities” component can be found in guidelines on the selection of emerging priorities agreed upon by the UNDP and the AECID.⁷

Table 2 Objectives of SPI's Components

SPI Components	Immediate and Development Objectives
1. UNDP Kon Tum Component	<p><u>Outcome 1 supported by the AECID:</u> Enhanced capacity of local authorities on evidence-based, pro-poor and participatory SEDP planning and budgeting ensuring decentralized management of investment, linkage of resource with local priority/needs and better management of provincial statistics related to socio-economic data.</p> <p><u>Project Result:</u> Provincial SEDP will be in place that is pro-poor, evidence based and participatory; and replicable models developed and evaluated for integrated programming that demonstrate approaches for sustainable development results and contribute to realize the principles of the Millenium Declaration and MDGs.</p>
2. Policy research and policy dialogue Component	<p>Outcome of the policy research and policy dialogue component is listed in the policy advisor's job description. For example,</p> <ul style="list-style-type: none"> - The job description for the Climate Change Advisor states that the key results of the post will strengthen the UNDP's policy role through research, recommendations, and contributions to the national policy dialogue. Results will also enhance the quality and impact of UNDP programs and projects. Key results will lead to the creation of strategic partnerships as well as joint dialogue initiatives. The visibility and substantive role of UNDP in addressing climate change with its causes and consequences for the national development process in Vietnam will be strengthened. - The job description for local governance policy advisor mentions the following key functions: to provide advice to the UNDP on governance reform in general and on local governance in particular; to provide technical advice in the context of planning, implementation, monitoring and evaluation of the joint UN Kon Tum project; to provide advice to government counterparts and facilitate knowledge building on local governance; to build strategic partnerships and develop join dialogue initiatives on local governance; and to advocate and promote the UNDP's mandate and mission.
3. Emerging priorities Component	The objective is to enable the AECID-UNDP SPI to be flexible and responsive to needs identified in the rapidly changing context of Vietnam.

⁶ See job description documents for climate change and local governance advisors, for example.

⁷ AECID and UNDP, “Concept note proposal for emerging priorities financial line,” August 2008.

4. Main Stakeholders

The strategic partnership between the AECID and the UNDP and its three components, while fundamentally governing the working relationship between the AECID and the UNDP, has also generated additional partnerships involving different UN agencies and different groups of Vietnamese stakeholders. Table 3 presents the potential main stakeholders for the SPI arrangements and the potential main stakeholders for each SPI component.⁸

Table 3 Main stakeholders Involving in SPI Arrangements per SPI Component

SPI Arrangements	
Components	Main Stakeholders
1. Support to Vietnam in achieving the VDGs and the MDGs	1. UNDP 2. AECID 3. Government agencies whose functions are related to poverty alleviation 4. Elected bodies 5. Social organizations and citizen groups related to poverty alleviation
2. Fostering of the implementation of the One-UN Initiative	1. UNDP 2. Other UN agencies
SPI Components	
Components	Main Stakeholders
1. UNDP Kon Tum Component	1. UNDP, UNICEF, and UNFPA 2. AECID 3. Kon Tum planning officials at the province, district, and commune level in general and those directly involved in the pilot activities in particular; Kon Tum officials from other sectors; Members of elected bodies in Kon Tum; Local inhabitants and businesses in Kon Tum; The poor, women, and minorities in Kon Tum 4. Central government agencies responsible for planning in general and poverty alleviation planning in particular
2. Policy research and policy dialogue Component	1. UNDP, AECID, and UN agencies interested in economic issues, public administration reform/anti-corruption, and climate change 2. International donors' community 3. Vietnamese policy makers and policy strategists at both the central and local level; Elected bodies at the national and local level; Vietnamese research institutes 6. Citizen groups
3. Emerging priorities	1. UNDP

⁸ The information on stakeholders for the Kon Tum component is drawn from project documents and interviews with Kon Tum officials and local inhabitants. The information on stakeholders from the policy research/dialogue and the "emerging priorities" component is based on the review of documents and interviews related to these components' activities.

	<p>2. AECID</p> <p>3. Vietnamese policy makers and implementation officials at both the central and local level; Vietnam's elected bodies</p> <p>4. Citizen groups</p>
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5. Result Expected

Although the AECID-UNDP document includes an elaborated section on implementation monitoring and a matrix for monitoring of the SPI, the document does not specify indicators to measure the progress towards the two SPI purposes. As mentioned, this report focuses mainly on the achievement of the objectives of the three SPI components as intermediate result indicators for the mid-term evaluation. For the final evaluation, there is a need for a set of indicators to help assess the final outcome and impact of the SPI.

Section IV Findings and Conclusion

The section on findings and conclusion is divided into two parts. The first part focuses on SPI formulation. The second examines the three components of the SPI with emphasis on the project's implementation and results.

1. Partnership Formulation

1.1 Implementation Approach

According to available documents, the discussion on an SPI between the UNDP and the AECID began in 2005 but it was not until 2006 when the AECID Headquarters finally approved the first of a four-year strategic partnership arrangement. The budget for the first year of operation was 800,000 Euros and the second year was 1,000,000 Euros.

Conceptualized as a flexible mechanism of support the UNDP and the UN Resident Coordinator in Vietnam, the SPI arrangements contain the following key features:

- The agreement sets a number of core objectives that provide the framework for allocation of funds towards specific projects and programs. There is no specific list of outputs and activities. Projects and programs are jointly agreed upon by the UNDP and the AECID during annual working-plan sessions. Based on a four year proposed framework and budget, every second quarter of a year the AECID and UNDP agree on annual proposals which, after approval by the AECID Headquarters, becomes the basis for discussion of detailed annual work plans.
- Monitoring of SPI activities and progress are carried out during meetings and through reports by relevant UNDP stakeholders.
- The AECID does not approve funds for all four years of the SPI duration but only approve it on an annual basis based on the annual work plan.

1.2 Activities and Achievements⁹

The SPI framework generated some achievements during its first years of operation.

The built-in flexibility of the SPI allows for the revision of the work plan submitted in 2006 with the condition that the allocated budget did not change. In 2007, SPI activities focused on: (1) the increase of funds allocated to the UN Joint Program in Kon Tum; (2) the funding of the Development Economist to strengthen UNDP policy advocacy position; (3) the selection of a local governance specialist; and (4) the confirmation of activities on social security and the Spanish Transition seminar.

The 2007 report on implementation showed that the SPI arrangements allowed the taking off of the UN Joint Program in Kon Tum. In the area of policy research and dialogue, the 2007 report highlighted the following:

- The SPI helped consolidate the UNDP's Country Economic Unit (CEU), allowing it to create the "Capacity Development for Economic Diplomacy and Business-Government Policy Dialogue Project". The CEU also initiated a dialogue promoting Global Compact principles as an integral part of the policy dialogue on social issues and proposed the integration of the private sector as a socially responsible sector
- The SPI supported the "Assistance to the Twenty-Year Review of *Doi Moi* in Vietnam" project with the Vietnam Academy of Social Sciences (VASS); VASS was the key organizer of activities to provide knowledge on the Spanish Transition.
- The SPI supported research and study on social security, involving both a study-tour comparing the South African and Brazilian experiences, and participation in an international workshop on financing social policies organized by the United Nations Research Institute on Social Development in Geneva.
- The SPI supported the recruiting of a local governance advisor.

The report on the 2007 implementation year mentions a number of good practices that confirmed the positive impact of the SPI activities. For example, Vietnam's multi-sector delegation which participated in the First World Social Security Forum in 2007, later organized a workshop recommending that Vietnam become a member of the International Social Security Association.

Activities for the year 2008 included those not implemented in 2007, continued activities of the Kon Tum UNDP, and continued activities for the policy research and policy dialogue component. The highlights were:

- the SPI supported the recruiting of a new Development Economist, who later headed the Country Economist Unit after its reorganization. The Development Economist focused on continuing the work being taken by outgoing Senior Country Economist

⁹ See AECID and UNDP "2007 Implementation report and proposed 2008 work plan," January 2008; AECID-UNDP SPI meeting – 17 June 2008; and "Proposed working plan and budget for Jan-Dec 2008", January 2008; and AECID and UNDP, "Minutes of Meeting on Midterm Review," 19 January 2008.

in terms of providing overall management of the CEU's project and research portfolios.

- The local governance advisor initiated activities for provincial public investment study, a research program on the impact of the abolition of district-level People's Councils, and an exploratory study on local service delivery. Activities in progress were the desk review of donor-funded projects with a planning component, background work on the district, and socialization of service delivery.
- The climate change policy focus formulated ideas for research and capacity building for the year 2008 and beyond, including human development in Vietnam and climate change; community-based approaches to reduce vulnerabilities for natural disasters, international climate change negotiations, financial instruments for limiting carbon consumption, carbon trade, long-term water management and coastal zone policy and planning, and emissions targets for sub-sectors of the economy.

1.3 Challenges

Certain achievements notwithstanding, there remain challenges that need to be addressed during the remainder of the SPI term, as follows:

- While the SPI arrangements provided flexibility to the UNDP and the AECID, the lack of certain management practices may temper the SPI's effectiveness in the long run. For one thing, there is no annual master plan that records completed, on-going and newly-approved activities of the SPI components. The lack of a master plan makes it difficult to link the different components of the SPI together or to link different outputs and activities within each component. This, in turn, makes short and medium term tracking of the SPI's contributions difficult.¹⁰
- SPI documents do not clearly specify the indicator system to be used for the final evaluation of its contribution.
- Existing reports have not consistently included any assessment on the extent to which SPI-supported activities have contributed to the fostering of the One UN Initiative.
- There is not yet a system for the dissemination of information on the SPI framework, SPI-supported activities, and initial results to relevant stakeholders.
- The 2007 implementation report mentions challenges centering on financial arrangements. While approval at the Vietnam country-level can be fast, the AECID Headquarters' processing of any requested expenditure is not so expeditious.¹¹ For 2007, of the total budget of 800,000 Euros, a large portion (\$594,660USD or 459, 135 Euros) remained unspent. The UN Joint Program in Kon Tum did not get

¹⁰ The proposed work plan and budget for January- December 2008 contains annexes detailing with activities and progress of the three SPI components. Despite its comprehensiveness, it is not a sufficient tool for overall progress tracking.

¹¹ UNDP Inter-Office Memorandum on the Strategic Partnership AECID-UNDP Handover, 25 October 2006.

administrative approval to transfer funds to participating UN agencies. In addition, the process of recruiting a policy advisor was slow and some of the SPI activities were incorporated into other UNDP projects. Problems related to a slow disbursement may neutralize the ability of the UNDP and the AECID to provide support in a timely fashion.

2. Implementation of SPI Components and Initials Results

2.1 SPI Component I: The UNDP Kon Tum Component within the Joint-UN Project

2.1.1 Overview of Project Implementation Activities

For Kon Tum, the UNDP component is the largest-ever capacity-building project. Since its inception, the Project Management Unit (PMU) has run a number of training courses on planning, monitoring and evaluation (M&E). These courses include one general class for the leaders of Kon Tum City, the province's nine districts and provincial departments and more focused courses for heads and deputies of planning divisions and those directly involved in planning from the nine districts and the city. The PMU has also organized courses for members of People's Councils at the province and district levels to improve their oversight capacity under the new planning approach. Finally, the Project has held "Learning-by-Doing" courses in the pilot communes in Dak Ha and Tu Mo Rong districts. The PMU has plans to publish a manual which will include documents prepared during the project implementation (with lectures and presentations produced by instructors from the National Academy of Finance) on annual SEDP planning at the commune level. Their strategy is to concurrently raise awareness and institutionalize the new planning approach. Following the publication of the manual, the provincial People's Committee is expected to issue a decision requesting that Dak Ha and Tu Mo Rong districts use the manual in their planning while other districts will be encouraged to use it in planning as they see appropriate. As of this review, most of the Project's activities have concentrated on training and the formulation of the annual plan at the commune level. Other key outputs such as decentralizing management of investment projects, and crucial conditions for planning such as evidence gathering, monitoring and training, have yet to be systematized. Specifically,

- Despite extensive training activities for relevant stakeholders and the capacity-strengthening of government agencies at all levels in the formulation of the SEDP, the Project has yet to produce any manuals or planning formats for the province and district level.
- The project has not yet made significant impact on the decentralized management of investment projects.
- There is no common database. Although data-sharing has been designed in the project document, at present, data is mainly provided by the province's statistical division. The UNFPA, for instance, takes charge of capacity building, medical supply, monitoring and evaluation. The UNFPA staff collects data through feedback, field trips, and documents from the health sector. The Health Ministry has not permitted the HIS software for storing healthcare data to be used widely. The UNDP has developed a database for the whole province, but

not for specific sectors. There are only separate studies regarding health-related behavior and attitude, drop-outs and nutrition. Increasingly, the role of research in the provision of basic services has been recognized by the various levels of authorities. A difficulty in collecting and managing socio-economic data at the lower levels of authority is that many commune cadres in impoverished areas do not have IT skills, thus they write by hand important data in their notebooks, which gets easily misplaced.

2.1.2 How has the UNDP Component in Kon Tum Contributed to the VDGs and the MDGs?

The UNDP component of the UN Kon Tum Project hopes to contribute to the MDG and VDG through evidence-based plans to serve the poor. The field study in Kon Tum has shown positive initial impacts but also barriers to anticipated outcome.

Relevance to Kon Tum's Socio-Economic Development and Poverty Alleviation

The relevance of the planning and budgeting component can be seen through the raised awareness of local authorities to the need for new planning methods and the positive role of the planning process. The dominant opinion is that the planning process, with its emphasis on popular participation, serves as an excellent means to gather local inhabitants' needs. The new planning method is also considered a useful instrument for helping commune leadership steer local development.

Awareness of the Need for a New Planning Approach. Local authorities had some initial reservations but have now expressed their delight at the progress of the project in capacity building. Officials from the Department for Planning and Investment (DPI) expressed their wish to have another phase conducted after 2011. Provincial authorities want to adopt it but must wait for a directive from the Central Government. District leaders however, are less enthusiastic. At the commune level, some leaders are enthusiastic, while others less so as officials from poor communes may have to take on more work as a result of the new approach. Even if they do not adopt this program, communes will continue to enjoy support from National Target Programs (NTPs) and other government policies and projects.

Communes that are able to use this new approach in order to seek more resources appear to be more positive. Additionally, the participatory approach may result in fewer complaints and denunciations as citizens become more confident within their local authority.

Interviewed training-course students from the commune and district levels are better aware of the weaknesses of the conventional planning approach and the advantages of the new one. In the past, communes implemented their plans as assigned by the district authorities. These plans were based mainly on figures that commune officials had filed in mere statistical format, without any situation-analysis or public consultation. The new approach has enabled local authorities to collect more detailed information, engage more stakeholders, and mobilise various local resources in order to produce more accurate and detailed plans.

Beneficiaries find it easier to identify financial capacity and resources, and are better aware of planning and reporting methods using clearer indicators. Furthermore, prioritization of local needs and issues has enabled a more effective concentration of resources. In contrast to the old approach, the new one is based on actual outputs.

Local officials acknowledge that the new approach is closer to reality and clearer about prioritizing resources. Under the new approach, planning becomes a collective product involving many stakeholders. Public consultations at the village level enable planners to explore various constraints, as well as hear local perspectives on causes and solutions.

Promotion of Participation at the Grassroots Level. According to local inhabitants in Dak Ha district, all public consultations involved representatives from youth unions, elderly associations, women's unions and heads of villages and hamlets. As most local residents are Catholic, commune officials have taken some initiative to coordinate consultations with prayer sessions in order to ensure the highest possible turnout. A consultation process usually includes two preparatory sessions with village cadres and two or three subsequent sessions with village residents. All interviewees appreciated public consultations which, they said, gave them a sense of democracy, autonomy and responsibility. They participated actively in consultations as they felt that some of their needs had been recognized and respected. Conversely, commune leaders have had chances to listen to their people and gain a better idea of how to prioritize issues. Participation of local people in public consultations however, remains limited. Reportedly, around 50-60 percent of village households send a representative. Reasons are wide-ranging: difficult family circumstances, busy livelihood, or inability to understand Vietnamese. Also, it is reported that the poor often exclude themselves from public consultations for additional reasons, such as sense of inferiority, and lack of belief in the benefit of public consultations being able to address their needs. In some cases, they rely on village heads as representatives of their interests and concerns.

Initial Impacts of the New Annual Plan on the Participating Communes. Dak Hinh and Dak Mar communes in the Dak Ha district have completed their Socio-Economic Development Plans (SEDPs) according to the new method, with the Learning-by-Doing support of a consultant team. They have sent these plans to the district's People's Committee. As a result of the better awareness of cadres at the district and commune levels, the relationships between both levels in SEDP planning and budgeting have been improved. In particular, the district authorities feel it no longer appropriate to assign targets to their subordinate levels as had been done conventionally. Officials at higher levels of authority have undergone training courses but have not practiced their skills, thus no tangible impacts have been recorded. Efforts are being made to practice the new planning approach at the district level. Difficulties still remain with how to define an effective model at both commune and district levels. Committed communes are seeking a less costly and less time-consuming model.

Capacity of People's Council Members for Monitoring and Evaluation of Planning, Budgeting and Resource Management. The project has not yet produced any substantial impact on the oversight capacity of members of the People's Councils. People's Councils undertake community supervision and oversee public utilities.

Alignment with the Local Annual Plan

There is not yet a clear alignment between the planning process introduced by the UNDP-Kon Tum project and the local process of developing and implementing the annual plan. The Pilot communes have developed annual plans based on the new planning method promoted by the Project. However, at this stage it is not clear how the commune implements the

activities listed in the plan, monitors that implementation, or amends planned activities in its course. The key reasons are capacity of local officials, local resources, and the degree of institutionalization. Constraints related to project implementation are listed separately in Box 1.

Local Capacity. It remains unclear how well commune cadres can properly follow the new method of planning without consultants' hands-on support after the project is over. Many interviewees at various levels of authority are concerned about the great number of complicated tables, templates, and indicators. This amount of data is hard for commune cadres and village heads to collect and analysis requires a considerable amount of time to complete. Usually, only college graduates can understand these templates and indicators. A chairman from a commune People's Committee complained that the pilot plan had been prepared chiefly by the commune's cadre in charge of finance and administrative affairs and himself. Other commune cadres fail to produce even a two-page report or understand a six-digit figure, not to mention comprehend a 50-page plan. Even the head of a financial and planning division in a pilot district, who is a university graduate, encountered many difficulties in following the new approach. A few cadres who can participate are very reluctant due to a lack of incentives. Most of the commune officials tend to focus on their administrative duties, rather than think strategically or give any advice to their managers for local socio-economic development. The situation may deteriorate if commune leaders are rotated to different positions, which often happens. Under a district capacity-building project, it may take eight years to turn a ninth-grader from an ethnic minority group into a capable cadre member. Furthermore, many cadre members do not return to their poor districts after they finish their state-funded training courses due to a lack of incentives. Additionally, some high-ranking officials who are near the end of their tenures do not want to work hard as they are uncertain about their future. The existing mechanism requires the involvement of the chairman or vice chairman of a People's Committee to handle many issues, especially at higher levels of authority, thus discouraging commune cadres from becoming more active at work. To address this problem, further administrative reforms and incentives will be required in order to reduce inefficient staff and retain staff composition. To generate incentives, some commune leaders have called for more authority in personnel issues. Moreover, although the new approach encourages democratic public participation, in many cases, most planning activities are undertaken by staff from commune People's Committees. Local citizens are not actively participating in public consultations.

Local resources: A leader from a pilot district acknowledged improved capacity, awareness and skills for local SEDP planning at the various levels of authority and among citizens, but doubted sustainability of the new approach as both officials and citizens remain uncertain about the resources to implement their plans, especially in very poor communes. What can be mobilized in poor communities, especially those dominated by ethnic minorities, is their sense of participation and commitment, not financial resources. Although the new approach can estimate resources to be required for plan implementation, it fails to indicate how to secure those resources. Some officials at the district and commune levels call for clear funding commitments made from the Ministry of Planning and Investment (MPI) to the province, district and commune levels before planning exercises. This approach may engage local authorities and citizens more proactively in the planning process as they have clearer

ideas about what to plan in accordance with existing needs, local capacity, and resources. Thus, local officials would not need to depend on the central authority through an ask-give mechanism. This mechanism still exists from the province to the district and, subsequently, to the commune level. Only resources from NTPs are determined according to their existing cost norms.

Under the conventional approach, planning-fund requests cost virtually nothing as planners produce plans on their own, without any evidence or consultation. Meanwhile, according to a recent survey, each commune-level plan produced under the new approach costs as much as \$6,000 USD, chiefly for consultant fees, their travel, and other allowances. One pilot commune spent an extra \$700 USD, in addition to project costs, on inviting additional participants whom they found relevant, and subsequent printing of more documents as a result. To address this problem, the PMU suggests the Training of Trainers (ToT) approach to substantially reduce costs for consultants. Local people from the Provincial General Economics College, district financial and planning divisions, and commune statisticians who hold university or high-school degrees, will be provided with an eleven-day course (ten training, one fieldwork), under consultants' instructions, to become potential trainers for commune cadres. Costs to produce local SEDPs are believed to decrease in subsequent years due to existing trained and experienced human resources and required facilities. Planned resources may come from local areas, including not only labor, but also land and forests. Despite these initiatives, sustainable funds for follow-up activities remain a big question for the new approach. Participatory planning requires substantial funding to support its activities. Village cadres receive monthly allowances of only 150,000 VND; a considerable proportion of which is spent on motorbike petrol for public consultations. Further consultations under the new approach, required by its participatory nature, will greatly increase this cost. In conclusion, although the provincial authorities according to the PMU are interested in the on-going renovation plan, they may have to give it up if funds are not available.

Institutionalization. The adoption of pro-poor, evidence-based participatory planning entails some corresponding changes in the institutional framework and political system. Interviews brought up a necessity for some legal impositions on communes to follow the new approach once the donor-funded demonstration model has proved successful. It is necessary to further raise senior officials' awareness of this matter as it is not practical to wait for their political will. If a decision for the adoption of the new approach is made by the higher levels of authority, it will be applied widely. In the meantime, pioneering communes still have to produce two plans at the same time.

Contributions to the National Reform Program on Planning and Alignment with the Central Government's Reform Plan

The UNDP is in the process of reviewing the outcome of the Strengthening Local Government Project (SLGP). There is no detailed study on the implications of the planning component of Kon Tum. One of its disadvantages is that decentralization to local governments has made the Ministry of Planning and Investment an outsider, unable to intervene and solve emerging problems. This marginalization has led at times to slower implementation.

Box 1 Barriers during Project Implementation

Cost-effectiveness: It is acknowledged that consultants from Hanoi must be employed in certain areas, but the use of them is more expensive than where local experts can take charge under the Training of Trainers (ToT) approach.

Personnel in charge of planning and budgeting: People's Committees at the district and commune levels do not have specialized planning staff. At the district level, the responsibility belongs to the financial and planning division. At the commune level, an accountant is normally charged with planning or assisting the chairman or a vice-chairman of the People's Committee in planning, while a statistics official collects necessary data. The statistics official may also be engaged in planning. Those who are expected to take charge of SEDP planning need proper investments from the Government, in terms of training and incentives, if the new planning approach is to be institutionalized.

Loss of skills and personnel: Officials who have been trained for the new planning approach may be rotated to other positions. Recruiting and training of new staff may make expected cost reductions in subsequent years unrealistic. Also, poor incentives for planning officials make it difficult to hire qualified staff as university or college graduates do not want to take up these positions.

Limited capacity, especially among ethnic minority communities: Communes dominated by the Viet majority may want to follow the new planning approach on a long-term basis, but communes under Program 135- Phase II and/or dominated by ethnic minorities have limited capacity. In poor areas, commune officials, including accountants involved in planning, do not have IT skills. Ethnic minorities over 40 years-old usually do not have a good command of Vietnamese. Village heads can speak Vietnamese but not fluently.

Improper awareness: Some commune officials remain unaware of the significance of the new planning approach. According to the PMU Director, it is important that commune planners and citizens be aware that the new approach communicates local needs and priorities to the district level which, in turn, will use them in various domains, including policy making, for more rationalized resource allocation.

Insufficient resources: There is a lack of vehicles for traveling to public consultations - especially to difficult and remote villages. There is also a lack of communication facilities (loudspeakers and amplifiers) for awareness-raising activities.

Conflict of interests: Some have raised concerns that villages and communes may compete with each other over prioritizing the limited resources that the higher level of authority may allocate.

Over-demand from public consultations: Demands raised by citizens are extensive, especially regarding issues that affect their daily life, while resources are too limited to meet all of them within a single yearly plan. It is not easy to refuse such requests and be able to explain the refusal to the public. The annual revenue in the Dak Ha commune in Tu Mo Rong district is around five million VND -chiefly from fees and charges. According to Decree 132, counterpart-funds are required when citizens in impoverished communities cannot afford necessary projects.

Democracy backlash: Officials at various levels are concerned about the danger of democracy-backlash. Citizens often misunderstand that consultations about local needs and priorities are not always followed by projects or some kind of assistance. They may feel

frustrated, or even distrust the authorities, and thus lose their interest in participating in next-year's round of consultations.

Timing: The new planning approach was implemented in October 2008 when ethnic minorities were in their fields, not at home (from October to December every year). Some participants have also expressed concern about consultants' time-arrangements in conflict with local and seasonal living practices.

2.1.3 Contribution to the One UN Initiative

The UN Kon Tum Project is the first in which three UN agencies have joined forces. The projects' outputs are all crucial, as they all involve planning as a management tool, organization of service delivery, and capacity building. They also incorporate crucial beneficiaries into the project—women, minorities, and children, for example. This joint model has various advantages. First and foremost, the three UN organizations have brought into play their comparative advantages in their joint project within the province. In particular, UNDP utilized its strengths in institutional reforms and capacity building; UNICEF in water and environmental sanitation; and UNFPA in reproductive health. They have all made efforts to combine their expertise in order to avoid overlapping assistance. They have also supported each other in areas where one organization would normally have taken on several projects in the past. For instance, both UNFPA and UNICEF have expertise in reproductive health. However, in this project, only UNFPA has taken charge of this domain so that UNICEF can focus its efforts on building capacities in other areas. UNFPA also supplies iron capsules and vitamins for pregnant women but does not carry out diagnosis and treatment of anemia, according to its conventional practice. Instead, UNICEF provides assistance in anemia treatment. It was decided that UNICEF take charge of the whole process in order to ensure higher medical efficiency and resource effectiveness. Beneficiaries have noted that their medical supplies come from the UN project, not specifically from UNICEF or UNFPA. In addition, UNDP's component on capacity building in planning, budgeting, and M&E was conducted in cooperation with relevant activities of UNICEF and UNFPA. As province authorities will prepare their Five-year Plan between 2011 and 2015, UNDP will assist in building capacity for local institutions that carry out project activities relating to healthcare and education without being directly involved in governance. The three UN organizations are seeking the best practices to be used as inputs for the Five-year Plan in order to ensure more sustainable interventions.

Secondly, in implementing the project, the three UN organizations have had chances to interact with each other and understand each other's regulations, particularly financial regulations. This is a preparatory step for their integration in the One UN as they can anticipate how to adapt themselves or produce adequate programs designed to work with partner regulations. For instance, at the beginning of the project, the regulations and practices of UNICEF were very different from those of UNFPA and UNDP. Many of UNFPA's and UNDP's regulations followed the UNDG, while only a small part of UNICEF's regulations did so. However, after a period of time, UNICEF made great efforts to harmonize their regulations. Useful lessons have been learned about how the UN organizations should simplify their own regulations to work closer together. Furthermore, to achieve the common goal of the joint project, each of the organizations has had to make some concessions regarding

their principal missions. If they had not, the simultaneous realization of many ideas would have confounded the implementation of the project itself. For instance, although UNICEF aims to encourage child participation in the planning and decision-making processes, this objective is not integrated in project activities. Once the common goal of the project is achieved, children and women can benefit from improved infrastructure, communication and a child-friendly environment. However, there still exist some inconsistencies in the coordination between the three UN organizations. According to some interviews, although UNICEF acts as a Coordinating Agency, UNDP and UNFPA still carry out some of their activities in their own way, and it is believed that more concessions would lead to better coordination. Nevertheless, in practice, there remain some challenges to be considered, the key areas being coordination among project components, technical assistance, and project management coherence.

Coordination among Project Components

From a macro perspective, the various components of this collaboration between the UNDP, UNICEF and UNFPA address three key aspects of reform: organizational reform of planning and budget; restructuring of public service delivery; and capacity building for public service delivery. A number of outputs may be carried out jointly. However, there has been no clear strategic linkage of these components during the implementation period.

In an effort to strengthen the One UN initiative, a consolidated database, with common standard indices and indicators, is an important condition for donors, state management agencies, and other organizations to share their information. Whenever any of them enter the database, they can access data not only about their own organization, but also about other partners so that they can develop more effective cooperation in planning and other activities. However, the existing set of indicators for the project still leaves much to be desired. It is expected to be improved before the mid-term evaluation of the whole project by late 2009.

Technical assistance.

There is no senior technical advisor for the Project in common practice. Each UN agency and its program officer are responsible for its respective components. In the past, a local governance advisor was assigned to oversee the UN Kon Tum Project; as of yet, no systematic approach to implementation has been formulated.

Project Management Coherence at the Local Level

The Director of the Kon Tum-UN project is the Deputy Director of DPI. A Steering Board has been set up, headed by the Vice Chairman of the Province People's Committee in charge of cultural and social affairs. This board meets once or twice per year. UN program officers meet with the Head of the Steering Board very often, which creates a favorable condition for the operations of the project. The UN organizations have signed their project documents directly with the province authorities, and as a result, central authorities, including the Ministry of Planning and Investment, will not intervene in the project process. Operating within the joint-UN program, the PMU is confronted with a number of difficulties, including coordination with local stakeholders, financial management, transaction costs, and guidelines.

Coordination of the Project with Stakeholders. The DPI Deputy Director in his capacity as the Project Director is not able to direct the activities of other departments or sectors involved in the project. There are also signs of weak coordination between the different activities of the three UN organizations in Kon Tum. A Kon Tum-based posting for a Project Officer has been advertised in order to recruit someone to assist the PMU to better combine various components. Currently, the Kon Tum-based PMU has two general accountants, an accountant for counterpart funds, a manager, and a cashier. Communication between the PMU, the District and Commune leaders is not always adequate. District and commune leaders have been informed only of activities regarding planning, budgeting and M&E; activities which are directly related to their positions. Information concerning the UNICEF or the UNFPA components of the project is usually sent directly to the specific sectors concerned (for instance, the healthcare or education sectors) without review by District leaders.

Complicated finance: The project was planned to adopt pooled funding but, in fact, has followed parallel funding which has resulted in a number of difficulties caused by different financial regulations and specific requirements. For instance, UNICEF's personnel procedures do not support local personnel management, while the other two UN organizations can. At the beginning, the UN organizations had many discussions but could not reach financing consensus despite common templates, such as HACT and Form Face. Consequently, financial management is a slow learning process. The PMU account has to deal with the different transaction rules and accounting forms of the three UN organizations and submit three reporting forms (FACE). Although they look somewhat similar, they take a great deal of time for the PMU to fill in; and though the different transaction rules mainly affect operations conducted in the Hanoi offices of the UN organizations, they make no substantial difference for PMU's operations. Efforts are being made to harmonize financial regulations. In addition, any documents sent by the PMU to the Hanoi offices of UNDP or UNFPA regarding their respective issues must go through UNICEF as the Coordinating Agency. This slows down the communication process. The PMU does not have the function to coordinate activities. According to recent audit results, less than 20 percent of the committed project funds have been disbursed. If advances for project implementation are included, the figure is around 40 percent. Similar problems happen in the management of VAT, bank interest rates, and money transfer fees. In 2007, per UNICEF's regulations, the PMU had to send back VAT and bank interest rates; according to UNFPA's regulations, VAT and bank interest rates did not have to be sent; meanwhile, UNDP was not interested in VAT and interest rates, allowing the PMU to record them in the project's account. In practice, all money is transferred to the project's account, making it impossible for the PMU to clearly separate interest rates for each UN organization. Estimated interest rates have affected the reconciliation of resources and auditing results of the project.

Increased transaction costs: As the project does not have a Managing Agency (MA), it takes substantial time for meetings and correspondence -especially for the execution of parallel funding, as the regulations of the three UN organizations require. Furthermore, it took only two months for UNFPA to recruit a post in a different project while the recruiting process amounted to one year for the Kon Tum-UN project, with six months of that time spent in discussion and correspondence. It has also taken time for the PMU to get approval from the

three UN organizations for its request to recruit another accountant. As a result, transaction costs increased in the initial stage.

Guidelines: The fundamental documents that have governed the project are the UNDG and HACT guidelines. Other important documents relating to the project include HPMG (upcoming), Decree 131, and the Next Execution Manual. However, these documents do not specify many issues, which may be small but cause considerable difficulties in the management and operations of the project. For instance, Decree 131 and the UNDG and HACT guidelines do not specify how to supply (who should manage and where to send) aid. The three UN organizations have sent their supplies to the PMU. UNICEF does not have requirements regarding asset management, while UNFPA stipulates numbering, recording and management of assets (this does not matter for the UNDP as it does not supply any hardware). Decree 131 also stipulates asset management. It is unclear which document outweighs which. Similarly, the foregoing documents do not specify re-imbursement of VAT and interest rates. The upcoming HPMG does not provide guidance on specific issues of the project, not to mention operations and maintenance (O&M). According to UNICEF's regulations, money has to be sent back if it remains un-disbursed after six months. Meanwhile, according to UNFPA, unspent money can be transferred to the next phase. This inconsistency creates some confusion for executing agencies which, in many cases, have to handle issues according to their own interpretation. The UN organizations are constrained by different regulations when parallel and pass-thru funding modes apply. PMU staff has not seen the manual on harmonization (HACT). It may take up to one or two years to develop a common manual (three years in the case of HPMG).

2.2 SPI Component II: Policy Research and Policy Dialogue

The SPI provides funding for three advisors on economics, public administration reform/ anti-corruption, and climate change. In 2007 and 2008, the SPI also funded a local governance position; however, this position later was discontinued.

2.2.1 Overview of Policy Advisory Activities

Focuses of the Policy Research

The SPI currently supports policy research in the areas of economic affairs, public administrative reform/ anti-corruption, climate change, and local governance.

Among these policy areas, economic policy research is the most extensive. The economic policy research focuses on poverty, human development, social security, empowerment of women, employment and growth, recent economic history related to the experience of Doi Moi; economic skill development through training programs; business development issues including the tourism industry; corporate social responsibility; economic diplomacy; public finance; land; macro-economic issues in the context of globalization and economic crisis; and food security.

Research subjects in climate change and public administration reform and anti-corruption are growing in number. The climate change activities are aimed at producing policy papers

directly serving as inputs for government work, with the key focuses going to human development in Vietnam and climate change; community-based approaches to reduce vulnerabilities to natural disasters; international climate change negotiations and middle income countries; financial instruments for limiting carbon consumption and (C/CC) vulnerability reduction; carbon trade, CDM and achieving MDGs; long-term water management and coastal zone policy and planning; approaches to reduction of specific sector vulnerabilities; and emission targets for sub-sectors of the economy. In 2008, policy research on the Public Administration Reform (PAR) and anti-corruption focuses on the review of the different aspects of the Public Administration Reform Master Plan (PAR-MP), institutional reform, organizational reform, civil service reform, public financial reform, PAR and economic development, and PAR and anti-corruption. The activities of this policy area also involved the commissioning of paper on corruption.

In 2008, the AECID-UNDP supported the position of a local governance advisor and appointed one to serve in that capacity. During the term, the local governance advisor formulated a strategy consisting of various local governance components, including the local process of planning and budgeting, local institutions, grassroots democracy, and issues related to the pilot on the abolition of the people's councils. The position of the local governance was not continued in 2009, but the research components related to governance were carried out. Tables 4 to 6 summarize policy research topics developed within the framework of the SPI.

Table 4 Key Policy Research Areas

MDGs	Economic Policy¹²	Climate Change (Proposed as of June 2008)¹³	PAR/Anti- Corruption Policy and Dialogue	Local Governance¹⁴
1. Eradicate extreme poverty and hunger	Poverty reduction policy making			
2. Achieve universal primary education	Human development report			
3. Promote gender equality and empower women				
4. Reduce child mortality	Human development report			
5. Improve maternal health				
6. Combat HIV/AIDs, malaria and other diseases				
7. Ensure environmental sustainability		-Human development in Vietnam and climate change -Community-based approaches to reduce vulnerabilities to natural disasters - International climate change negotiations and middle income countries - Financial instruments for limiting carbon consumption and		

¹² The summary of the policy research/project topics is based on information from interviews and reports from the CEU and the policy advisor. See specifically “AECID-UNDP SPI Mid-Term Review, Minutes of the Meeting”, 19 January 2009.

¹³ Proposed items reported at the “AECID-UNDP SPI Meeting”, 17 June 2008.

¹⁴ See the three following documents: “ACEID-UNDP SPI Meeting,” 17 June 2008; “Email on strategic partnership between AECID and UNDP” 29 May 2008; and “Work Plan: Local Governance in Vietnam”, January 2008.

		(C/CC) vulnerability reduction - Carbon trade, CDM and achieving MDGs -Long-term water management and coastal zone policy and planning - Approaches to reduction of specific sector vulnerabilities - Emission targets for sub-sectors of the economy		
8. Develop a global partnership for development				
VDGs				
1. Reduce the percentage of poor households	Poverty reduction policy making			
2. Universalize education and improve educational quality	Human development report			
3. Promote gender equality and women's empowerment		-Gender and climate change in Vietnam		
4. Reduce birth rate, child mortality and child malnutrition	National Human development report. ¹⁵			
5. Improve maternal health				
6. Reduce HIV/AIDs				

¹⁵ The project describes human development as “a process of enlarging peoples’ choices by expanding their capacities to lead long and healthy lives, to be knowledgeable, to have a decent standard of living and to participate actively in community life.” The report links it with the goals related to education, employment, and health care of the MDGs and the VDGs.

infection and eradicate other major diseases				
7. Ensure environmental sustainability		Same as above		
8. Ensure infrastructure development for the poor				
9. Job creation	- Human development report - Employment and growth-related issues within the context of the impact of the global crisis in Vietnam with some evidence-based analysis			
10. Develop culture and information to improve spiritual life of people; preserve culture of ethnic minority groups				
11. Reduce vulnerability and develop social safety nets to support the poor and the disadvantaged				
12. Promote further public administration reform and legal information provision for the poor.			1. Six research papers on PAR and case studies on provincial public administration:	1. Review of background and past work 2. Local governance

			<p>institutional reform, organizational reform; civil service reform; public financial reform; PAR and economic development; PAR and anti-corruption</p> <p>2. Research on public officials</p> <p>3. Media and anti-corruption</p>	<p>process: Planning and budgeting</p> <p>3. Institution and their roles</p> <p>4. Grassroots democracy</p> <p>5. Research program on the abolition of the district people's council</p> <p>6. Study on local public service delivery</p>
Others not falling under the MDGs and the VDGs rubric but contributing to their attainment	-Social security strategy			
	- Macro economic development in Vietnam, with emphasis on the unfolding global crisis and its impact on Vietnam			
	- Food security issues			

Table 5 Projects Portfolio of the Country Economist Unit¹⁶

1. Empowering women in leadership positions in Vietnam. The project creates opportunities for highly qualified women employed in Vietnam's public sector to study and do research at the University of Cambridge.
2. Doi Moi Review Project. The key remaining activities are those related to the Spanish Transition component.
3. Economic diplomacy. This project has two components: a package of policy research activities for a master plan for economic diplomacy and the Vietnam Executive Leadership Program in which senior policy makers attend presentations at the Kennedy School of Government.
4. Financial policy analysis. This is a support to a policy advisory group (PAG) within the Ministry of Finance allowing it to recruit highly qualified and motivated Vietnamese policy researchers and team them with international experts to delivery policy advice.
5. Corporate social responsibility. This project supports the Vietnam Chamber of Commerce and Industry to implement the ten principles of corporate social responsibility.
6 Land policy. This project conducts a comprehensive assessment of the socioeconomic impact of land policy on rural development and recommends new policies aimed at achieving the Government's goal of promoting sustainable rural development.
7. Support to the Vietnam Academy of Social Sciences to carry out work on the National Human Development Report ¹⁷

Table 6 Papers on Economic Issues Published under the UNDP's Policy Dialogue Paper Series¹⁸ (Items marked with * are listed as "on-going".)

Title
1. The Chu Lai Open Economic Zone and Rural Development: Central Planning's Laboratory for Policy and Institutional Innovation
2. Credit and Trust: Fruit Markets in the Mekong Delta
3. Business Strategy during Radical Economic Transition: Vietnam's First Generation of Larger Private Manufacturers and the Past Decade of Intensifying Opportunities and Competition*
4. State Corporations, Financial Instability Industrialization in Vietnam*
5. The Vietnamese Cooperative Model: Past Experiences and Emerging Challenges*
6. Funding Economic Development: A Comparative Study of Financial Sector Reform in Vietnam and China*
7. Vietnam's Infrastructure Constraints*
8. Vietnam's Industrial Policy Designing Policies for Sustainable Development*
9. Ho Chi Minh City: The Challenges of Growth*
10. The Future of Higher Education in Vietnam*
11. Proposal "A Strategic Plan for the Establishment of an APEX Research University"*

¹⁶ See specifically "AECID-UNDP SPI Mid-Term Review, Minutes of the Meeting", 19 January 2009.

¹⁷ At the time of the field study in June 2009, there was a modification of the arrangement.

¹⁸ Listed in "AECID-UNDP SPI Mid-Term Review, Minutes of the Meeting", 19 January 2009.

Approaches to Policy Research and Policy Dialogue

At the time of the review, the UNDP policy advisors have been assigned varying scopes of responsibility, a result of the history of the development of the UNDP policy advisory group itself. The economic advisor currently leads a unit that manages projects, although in the future, the advisor, with the assistance of a program coordinator, is expected to allocate less time to management work. Other advisors concentrate mainly on policy research and policy dialogue.

Policy advisors each have worked to develop their own policy networks of key research partners. There are two identifiable approaches to forming these networks; the first is to rely on Vietnamese institutions. Research on economic development issues fall into this category. The leading choices are the Vietnam Academy of Social Sciences (VASS), the IPSARD and the VCCI, to cite a few. Partnership also extends to the Fulbright program in Ho Chi Minh City. The second approach is to rely on independent international and domestic researchers or research groups.

Policy advisors rely on various levels and forms of policy dialogue. In some cases, a dialogue focuses on addressing high-ranking or senior government officials. In some cases, the focus is at the middle level, and in others emphasis goes to promoting a public forum for policy discussion. Finally, the scope of the beneficiaries is different. Some policy topics target the government sector while some include the private sector or social organizations. The climate change activities involved the building of strategic partnership and dialogue between the UN, high-ranking Vietnamese partners, and the international community. The UNDP's climate change project also worked with senior officials to provide inputs to the National Target Program on Responding to Climate Change. The public administration reform/anti-corruption advisor, in setting agenda on different aspects of the public administration reform, networked with the Vietnam's Fatherland Front both at the central and local level.

There are indications that policy advisors consult each other internally, and all work closely with the UNDP's Deputy Resident Representative. This current arrangement is appropriate from the organizational perspective since arguably the advisors, being few, can easily coordinate amongst themselves and report directly to the Deputy Resident Representative. Should the UNDP desire to institutionalize its advisory role in the long run and expand the number of advisors, a more systematic coordination mechanism will be necessary.

2.2.2 Contributions of the Policy Research and Policy Dialogue Component to the VDGs and the MDGs

The policy process can be conceptualized as consisting of at least five stages of engagement: identification of stakeholders and problems; identification of policy objectives and policy alternatives; selection of a policy or a cluster of policies; design of the policy monitoring and evaluation system (M & E); and the transfer of policy to plan implementation. The challenges to the SPI-supported policy research and dialogue component center on agenda setting, identification of stakeholders, clarification of entry and exit points in Vietnam's

policy process; balancing of the UNDP's role in policy advocacy, policy implementation, and policy monitoring; and the monitoring of policy evolution.

Agenda Setting

In the area of agenda setting, the challenges include the following:

- Despite an extensive amount of research, Table 4 suggests that the number of policy areas directly related to the MDGs and the VDGs remains moderate. An expansion of the research scheme will help strengthen the UNDP policy advisory role.
- There is no overall framework for the policy research component the SPI supports; the link between the various components of different research programs is not explicit. It is possible to argue that governance and public administration, and even anti-corruption are relevant in the analysis of most of the MDGs and VDGs. Yet, this linkage has not been explicitly made.
- The scope of policy research and policy dialogue on areas related to local governance has been limited. This is a key challenge given the fact that Vietnam has been moving towards various forms of decentralization. The SPI at one point supported the position of a local governance advisor. Should the position not be continued, there will be a need to reflect on how the existing corps of advisors may assume certain responsibilities on local governance issues. Policy research in various areas has focused on regional, provincial and local systems, but a more systematic approach is needed, in both identifying issues and selecting field study sites for the UNDP to consolidate its advisory relation to local governance.

Identification of Stakeholders

- Although the policy research and policy dialogue component appropriately targets policy makers and strategists, there is however, a need to consider officials responsible for implementation and monitoring as target groups. All end-users should be identified from the beginning, if at all possible, and allowed to get involved in different stages of the policy process.
- In carrying out policy research, reliance on Vietnamese research institutions and reliance on independent international and national researchers or research groups have their advantages and disadvantages. The primary advantage of the first is the recruitment of Vietnamese research institutions as stakeholders who thus double as policy advocates. The major disadvantage is that most national institutions are also funded by the government while also receiving funding and cooperation from other international development agencies. Their approaches to research and advocacy thus remain traditional in many respects.¹⁹ The second approach has the advantage of

¹⁹ One should also be reminded that the UNDP undertaking is not new although the scale may be more extensive. In the early 2000s, the Ford Foundation in Hanoi took the initiative to provide training to VASS researchers on how to communicate policy research results to policy makers. The Change Management component of the UNDP Project at VASS is currently aimed at helping VASS consolidate the information on research projects, while evidence-based training aims to consolidate VASS researchers' capacity for participation in the policy process.

gathering a wide range of expertise onto a single team. Still, independent researchers are at a disadvantage in carrying out policy advocacy.

Clarification of Entry and Exit Points in Vietnam's Policy Process

Research and dialogue topics may focus on various aspects of the policy process ranging from agenda setting, identification of stakeholders, clarification of policy alternatives, and selection of alternatives to policy implementation and the monitoring of policy impact. At the time of the review, the Team is of the opinion that the research and dialogue schemes do not always have clear UNDP entry and exit points. Identification of entry and exist points in the policy process is crucial for planning and impact evaluation purposes.

Balancing of the UNDP' Role in policy advocacy, policy implementation, and policy monitoring

The SPI framework has, in a timely fashion, supported the strengthening of the UNDP's policy advisory role. Yet, it is crucial that the UNDP consider balancing its advisory role in policy advocacy, policy implementation, and policy monitoring. To some extent, technical advice related to the policy implementation and policy monitoring aspects has been provided through UNDP- projects. However, with Vietnam reaching the middle-income country status, it is also crucial that the UNDP consider providing advice on good practices in policy implementation and monitoring to Vietnamese stakeholders not affiliated with particular projects.

Monitoring of Policy Evolution

It remains unclear to the Team how this process of policy evolution is being tracked. For the dialogue process to be effective, mechanisms are needed to track how/whether specific policy issues are adopted and dropped.

2.2.3 Contribution to the One UN Initiative: UN Program Coordination Groups and Policy Advisors

The policy advisors may help realize the One UN Initiative through their connection with the Program Coordination Groups (PCGs). There are currently 11 PCGs: Social and Development Policies; Trade, Employment and Enterprise Development; HIV; Gender; Health and Reproductive Rights; Protection; Education; Sustainable Development ; Governance; Natural Disasters and Emergencies; and Communicable Diseases and Animal Diseases. Each PCG operates to fulfill the One UN initiative's five outcomes, each of which in turn has a cluster of expected results. Each PCG is convened or co-convened by UN agencies.

Based on interviews, there is no institutionalized mechanism that requires a linkage between the policy advisor and the PCG. Yet, in practice, the policy advisors' relationship with the PCGs is collegial. The climate change advisor, for example, is involved in working with three PCGs: Sustainable Development, Gender, and Disaster Management. The PCGs operate through the work plan and monitoring system, where a close relationship with the policy advisors is desirable. This is, to some extent, because UN agencies may not be able to catch up with newly emerging issues and adapt accordingly, and the advisors can play a role

in updating and sharing information on emerging issues that need attention. The advisors may also support the PCGs in the areas falling under their respective jurisdictions. In these cases, the advisors help foster the One UN initiative.

2.3 SPI Component III: Emerging Priorities

2.3.1 Overview of the Component

The third component of the SPI under the rubric of “emerging priorities” was approved in August 2008. Important reasons motivating this undertaking were: the impact of the global economic crisis on Vietnam and the government’s policy responses; the government’s legal initiatives related to the Budget Law; and the pilot-planning for the abolition of the People’s Council at the district level.

The objective for this component is to enable the AECID-UNDP SPI to be flexible in approving and responding to emerging needs in the rapidly changing context of Vietnam. According to the “Guidelines for Emerging Priorities Proposal Approval Process”, the activities including in this rubric of support must be (1) importance for Vietnamese institutions; (2) relevance for the AECID in Vietnam; (3) within the UNDP’s mandate; and (4) directly and/or indirectly relates to activities included in the grant award resolution of July 20, 2007. In addition to the UNDP and the AECID, the guidelines allow the Vietnamese government to make proposals channeled through the UNDP or the AECID. The “Guidelines” stipulates that the Government of Vietnam has the right to make proposals and that requests may be channeled either through the UNDP or the AECID.²⁰

Financial guidelines for 2008 activities were agreed between the AECID and the UNDP in June 2008 at a budget of \$373,820 USD.

Based on the available documents, in 2008, the activities falling under this rubric include the organization of an independent mid-term review and support to the re-printing of gender mainstreaming guidelines by the National Center for the Advancement of Women (NCFAW). In 2009, the proposed activities focused on the review of the government’s poverty reduction policies and the support to social security strategy development. The review of the current poverty reduction policy is to take a stock of the government’s approach to poverty reduction in order to formulate recommendations for the future provision of poverty reduction measures. It is hoped that this exercise will supplement the mid-term review of the National Target Program for Poverty Reduction and Program 135 Phase II. The support to social security strategy and development item focuses on the organization of round-table discussions/debates on visions and directions for a suitable, comprehensive and inclusive social security system for Vietnam in the long run while considering short-term solutions to support vulnerable groups facing the immediate impact of the global economic crisis. The UNDP will be working with the National Assembly of Social Affairs committee to host these activities.

²⁰ See “Guidelines for Emerging Priorities Proposal Approval Process”, August, 2008, Hanoi.

2.3.2 Contribution to the VDGs and MDGs

Identifying items as “emerging priorities” provides further built-in flexibility for the SPI. The areas that have been selected in 2008 and the first part of 2009 are appropriate. The mid-term review activity contributes to the improvement of the implementation of the SPI. Activities related to gender issues, poverty reduction, and social security fall under the rubric of the MDGs and the VDGs.

Nevertheless, there is a need for a system to solicit proposals from potential participants including government agencies. At the time of the review, the number of proposals submitted and approved remained small. In addition, there is also a need to raise the question of the maximum duration for support for each emerging priority. Finally, given the fact that the upcoming 2009-2010 period includes a transition from one socio-economic development plan (2006-2010) to the next (2011-2015), additional priorities will emerge which were not foreseen in the regular work planning process. Both the UNDP and the AECID may ask what criteria will suffice to adjudicate emerging priorities that compete or conflict.

2.3.3 Contribution to the One UN Initiative

As of the time of the review, the Team did not have enough information to assess the contribution of this SPI component on the One UN Initiative. This aspect of Component III’s contribution needs to be assessed during the remaining term of the SPI.

Section 5 Recommendations

This report puts forth two sets of recommendations. The first deals with SPI arrangements while the second is aimed at strengthening the SPI’s components at the operational level in order to assure their relevance to Vietnam’s context.

1. Recommendations for SPI Arrangements

To strengthen the SPI framework, the report emphasizes the following areas :

1.1 Development of A SPI Master Planning Template

In order to facilitate planning and the tracking of the outcome and the impact of the SPI, it is recommended that the UNDP and the AECID develop a master template that helps record activities of the three SPI components and their sub-components that have been completed, on-going, and are yet to be approved/newly-approved. This template should record information on governance aspects (that is, democratic governance, accountability and voice; process of economic and social transition; and environmental sustainability) as well as the relationship between the components/ sub-components with the VDGs / MDGs and how they contribute to poverty alleviation.

1.2 Monitoring of the SPI’s Final Outcome and Impact

AECID and UNDP should formulate measures for the two purposes of the SPI in preparation for the final evaluation. During the remainder of the SPI, AECID and UNDP regularly monitor the extent to which the SPI arrangements contribute to the two purposes of enabling the UNDP to assist the Vietnamese Government effectively while promoting the One UN initiative.

1.3 Publicity of SPI's Results

Information on the three SPI components, that is, achievements and challenges of the UNDP component in Kon Tum, activities and results of policy research and policy dialogue, and regulations on the request for emerging priorities should be shared with potentially interested Vietnamese partners.

1.4 Towards the One-UN Initiative through SPI Implementation

Relevant UN agencies and AECID consider each SPI component as a window of opportunity for the promotion of the One UN initiative. Specific activities include

- Apply a unified management manual for joint-UN projects
- Set up a network for information sharing related to UNDP policy initiatives between the UNDP and UN agencies

2. Recommendations for SPI Components

Based on examination of the SPI components, the review puts forth the following recommendations for consideration :

2.1 The UNDP Kon Tum Component

The key recommendation is to review the strategies as well as implementation mechanisms of the UNDP component in Kon Tum in order to further the MDGs. Specifically,

On Strategic Issues

- Review the linkage between the commune, district, and province planning process with in the context of Vietnam's local government system
- Review the link between sector planning and the SEDP with an aim to strengthen sector planning
- Strengthen participants to include the poor and women
- Combine the People's Councils' role in monitoring with newly formulated annual plans
- Strengthen the local data base system

On Implementation Issues

- Simplify the planning format and process appropriate to local capacities
- Clarify the process of plan implementation and plan reporting

- Expand pilot activities to cover planning for Year 2 in order to compare progress and challenges in implementation
- Provide funds for non-participating communes to experiment using the new planning method

2.2 The Policy Research and Policy Dialogue Component.

The first key recommendation is that the UNDP clarify its role in policy advocacy, policy implementation, and policy monitoring and how to balance them.

The second recommendation is to clarify the short and long term role of the political advisory group and adopt a strategy for its consolidation. There are two options, as follows:

Option I: Policy Research and Policy Dialogue as a Short and Medium-Term Strategy to Assist Vietnam during the Period of Policy Transition

For this option, the recommendations are:

- To identify short and medium term strategies for the policy research and dialogue component with emphasis going to entry and exit points for engagement.
- Formulate a medium-term policy research and dialogue scheme for each policy area with emphasis on interconnectedness between the different areas where appropriate.
- Track policy issues and their evolution

Option II : Policy Research and Policy Dialogue as a Long-Term Strategy

For this option, the detailed recommendations are:

- Same as the above
- The UNDP and AECID take the leading role and work with relevant stakeholders in identifying short and medium term strategies for the component on policy research and dialogue
- Institutionalize the policy advisory group through internal coordination and external networking
- Increase the contribution of the policy advisory corps to the UN system
- Institutionalize exchange channels with government agencies, mass organizations, and civil society organizations at various levels

2.3 Local Governance

- To strengthen the local governance component, either through (1) the incorporation of local governance aspects into existing policy agendas on economic development, the public administration reform/anti-corruption, and climate change; or through (2) the revival of a full-time or part-time, or the use of a one-person or a team-based, local governance policy advisor position.
- To consider key local governance issues identified in Annex IV on the local governance report as the basis for the formulation of future policy agendas as well as the development a list of “emerging priorities”

- To open a dialogue with government agencies responsible for local governance; the Department of International Relations and the Department of Local Government at MOHA are among appropriate partners.²¹

2.4 The Emerging Priorities Component

- To formulate a master plan for issues falling under the rubric « emerging priorities » that have been approved and/or completed for monitoring purposes.

Section 6 Lessons Learned

This report identifies two lessons learned which can serve as the basis for the implementation of the SPI during the remaining duration of its term.

Previously, the UNDP had a Strategic Partnership Initiative with the United Kingdom's Department of Foreign and International Development (DFID). As the past and the present SPIs both support policy research and policy dialogue, the AECID-UNDP SPI may learn from successes and shortcomings of the preceding SPI model. Nevertheless, the AECID-UNDP SPI has broadened the scope of its partnership, leading to two key differences between the two SPIs. The first difference is that the DFID-UNDP SPI mostly supported UNDP projects while the AECID-UNDP SPI supports a joint UN project. The difference is evident in project management and transaction costs. The second difference is that the AECID-UNDP has a component called “emerging priorities”, a component that was not part of the earlier DFID-UNDP partnership. These new initiatives should be regularly reviewed for the remaining term of the SPI.

Secondly, the three components of the SPI provide opportunities for UNDP and other UN agencies to work together. In implementing the UN Joint Project in Kon Tum, for example, the three UN organizations is given an opportunity to interact with each other and understand each other's regulations. This is a preparatory step for their integration in the One UN as they can anticipate how to adapt themselves or produce adequate programs designed to work with partner regulations. Opportunities for the UNDP and other UN agencies to work together at the implementation level help foster the concretization of the One UN initiative.

Section 7 Annexes

The annex section consists of four key sub-annexes. Annex 7.1 presents the Terms of Reference (TORs) governing the International Consultant/Team Leader's responsibilities in working with team members to produce the SPI Mid-Term Evaluation Report and its local governance annex. Annex 7.2 lists the names of informants in Hanoi and Kon Tum interviewed. Annex 7.3 lists the documents reviewed for the SPI report. Annex 7.4 is the local governance report with a special focus on Kon Tum as required by the TORs.

²¹ The Team had a meeting with the Department of International Relations and the Department of Local Government at MOHA. Owing to limited time, the Team was not able to explore all the emerging priorities related to local governance. The two departments saw the need for follow-up exchanges.

Annex 7. I

Terms of Reference

International Evaluation Expert/Team Leader

BACKGROUND

1. AECID supports UNDP's work to strengthen and deepen its focus in supporting Viet Nam's efforts to reduce poverty and achieving the Millennium Development Goals (MDGs).
2. AECID has committed Eur2.8 millions over the period 6th November 2006 to 7th July 2008 for UNDP work in the areas of (i) democratic governance, (ii) basic services and, (iii) UN reform. The Specific Objectives and Principles are set out in the Strategic Partnership Initiative (SPI) Memorandum of Understanding (attached).
3. AECID is, in effect, providing local core funding for UNDP programming in Vietnam. The SPI represents a departure from project-by-project funding in that it enables UNDP and Government counterparts to make marginal adjustments without opening new negotiations with the donor. It also provides some resources for new initiatives, and in particular policy research projects.
4. Annual reviews by UNDP and AECID are carried out to assess progress in the implementation of the SPI. The SPI Project Document specifically calls for a mid-term review at the end of 2008 or early 2009.
5. UNDP has developed a similar programme of support with UK also called an SPI. These initiatives have, in effect, anticipated the UN reform process which has now take off in Vietnam and which will supersede this kind of in-country core support to a single UN agency in favor of core support to a more unified UN system.

MID TERM EVALUATION

Purpose

6. The team of experts will carry out a mid-term evaluation of the AECID/UNDP Strategic Partnership Initiative to assess implementation of the SPI and generate lessons for the new initiatives that may be incorporated in the workplan until 2010.
7. The team of experts will be formed by a Team Leader, an expert on governance (focus on local governance) and a national expert.
8. The team of experts will be briefed by and report to Christophe Bahuet, UNDP Deputy Country Representative and Benito Alvarez, the AECID Resident Representative in Viet Nam.

Tasks

9. The expert or team of experts will conduct a review of the following aspects of the SPI:
 - Governance related initiatives, with emphasis in local governance. In particular, a specific evaluation on governance will be conducted, as described in Annex 1 of this document (Evaluation Report on Governance).
 - UNDP activities in Kon Tum, and interactions with other UN agencies working in the province
 - Role and suitability of Spanish funded advisors in UNDP Viet Nam, and a comparison with the tasks and impact of other UNDP advisors.

- Working interactions and partnership between AECID and UNDP in Vietnam

On the basis of the review, the expert or team of experts will:

- Develop recommendations to AECID and UNDP to improve implementation over the remaining SPI initiatives; and,
- Explore the implications for the One UN Initiative in Viet Nam. Of lessons learnt from the SPI approach.

Methodology

10. The team of experts will conduct the evaluation collecting information through documentation review, interviews with key staff and consultation with relevant stakeholders. Available information and finding will be systemically analyzed to be included in the Midterm Evaluation Report.

Outputs

11. The team of experts will organize a debriefing session towards the end of the mission with UNDP and AECID's key staff. An interim report will be circulated prior to the debriefing session.
12. The team of experts will produce a Midterm Report including all relevant information listed in point 6 of the present document. Any detailed analysis should be presented in the form of Annexes to the Midterm Report.
13. The Midterm Report should be produced in English and circulated in both hard and soft copies.

Duration of the assignment

14. Twenty (20) working days are allocated for the evaluation with additional required time -maximum one (1) month- for the finalization of the Midterm Evaluation Report. The work is to be completed in May 2009

OVERALL RESPONSABILITIES AND DUTIES OF THE TEAM LEADER

15. The International Evaluation Expert will be the team leader of the evaluation team including two National Experts.
16. In carrying out his/her responsibilities and duties, the International Evaluation Expert will work and coordinate closely with the AECID/UNDP officials working in the Partnership, the local and national agencies counterparts, and other related staff.

SCOPE OF WORK

17. As the team leader, she/he will:

- The team leader will have overall responsibility for the work and operation of the evaluation team, including the coordination of the midterm evaluation and related activities,
- Consolidate inputs from different team members;
- Be responsible for reviewing outputs for the evaluation and quality assurance;
- The team leader will be responsible for organizing the debriefing session and achieving the evaluation and delivering a final report on time.

- The team leader will be responsible for the contents, quality and veracity of the report;

18. As the International Evaluation Expert, she/he will:

- Carry out desk research of existing management plans, survey/research/evaluation reports and database;
- Conduct fieldwork together with the national counterpart and interview stakeholders, SPI related officials, and beneficiaries if appropriate to generate authentic information and opinions;
- Write and compile the information and reports as needed;
- Make a presentation of key findings highlighting achievements, constraints, and make practical recommendations
- Finalize the evaluation report.

ACADEMIC/PROFESSIONAL REQUIREMENTS AND PERSONAL SKILLS

19. Academic/Professional Requirements:

- At least 10 years of demonstrated experience conducting evaluation of development initiatives, as well as policy research on governance, local governance, decentralization, public administration or related areas.
- A PhD or demonstrated experience in research on Political Science, Public Policy, Governance, Development Studies, Sociology or related field.
- Academic and professional background in identification, planning and evaluation of development programmes or related fields.
- In-depth understanding and proven experience in the analysis of governance issues in Asia and/or countries in transition. Previous research and/or work experience in Viet Nam is a remarkable asset.
- Familiar with Strategic Partnerships Initiatives in developing countries, either through managing or evaluating donor-funded projects.
- Substantive knowledge of participatory monitoring & evaluation processes is essential and experience in Vietnam is an advantage;
- A strong international publication record.
- Experience in the evaluation of technical assistance projects, if possible with UNDP or other UN development agencies and major donors. A demonstrated understanding of AECID principles and expected impacts in terms of global benefits is an asset;

20. Personal skills

- Excellent English writing and communication skills.
- Experience leading small multi-disciplinary, multi-national teams to deliver quality products in high stress, short deadline situations.

PROJECT SUMMARY, TIMING AND DURATION OF THE ASSIGNMENT

21. Project Title: AECID-UNDP Strategic Partnership Initiative
22. Project Sites: Hanoi and Kon Tum provinces

23. Country: Vietnam
 24. Duration of the assignment: 20 days
 25. Duty station: Hanoi

REPORTING AND EXPECTED OUTPUTS

26. The International Expert, with the assistance of the two National Experts, is expected to produce the following products:

- Presentations to key stakeholders (debriefing session);
- An interim draft report with preliminary finding prior to debriefing session and;
- A final comprehensive mid-term evaluation report structured detail as outlined below:
 - a) Executive Summary
 - Brief description of the project
 - Context and purpose of the evaluation
 - Main conclusion, recommendation, and lessons learnt
 - b) Introduction
 - Purpose of the evaluation
 - Key issues addressed
 - Methodology of the evaluation
 - Structure of the evaluation
 - c) The Partnership and its development context
 - Partnership start and its duration
 - Expected results and main contributions to Vietnam
 - The immediate and development objectives of the Partnership
 - Main stakeholders
 - Results expected
 - d) Finding and conclusion
 - Partnership formulation: Implementation approach; Country benefit; Stakeholder participation; Replication approach; Cost effectiveness; UNDP comparative advantage; Linkages between project and other interventions or initiatives (One UN); Indicators; Management arrangement
 - Project Implementation: Financial planning; Monitoring and evaluation; Execution and implantation modalities; Management by the UNDP Country office; Coordination and Operational Issues; Risks and counter-measures
 - Project results: Attainment of objectives; Sustainability; Contribution to upgrading skills of the national staff.
 - e) Recommendations
 - Corrective actions for the design, implementation, monitoring and evaluation of the Partnership
 - Proposal for following up directions underlining main objectives
 - f) Lessons learnt

- Best and worst practices in addressing issues relating to relevance, performance and success
- g) Annexes
- TOR
 - Itinerary
 - List of persons interviewed
 - Summary of field visits
 - List of document reviewed
 - Questionnaires used and summary of result
 - Evaluation report on governance (focus on local governance)

Annex 1

Evaluation Report on Governance

OVERALL RESPONSABILITIES AND DUTIES RELATED TO THE EVALUATION REPORT ON GOVERNANCE

1. The SPI includes a component on Local Governance (LG). A number of activities have been carried out by a Policy Advisor on LG over the last year, mostly focused on policy advice and research.
2. Local Governance is a key component of the SPI. Because of the intrinsic complexity of this practice area and continuing changes affecting the related legal and policy frameworks, permanent monitoring and feedback is required in order to keep UNDP's contribution in this area updated. The mid-term evaluation of the SPI should set up the basis on which UNDP will build its strategy on LG over the next two years, i.e. within the timeframe of the SPI.
3. The purpose of this Evaluation Report on Governance is to assess relevance, performance and impact of the SPI component on LG in relation to the current context and trends, in order to identify gaps between trends and targets and consequently make strategic recommendations for UNDP's agenda in LG over the next two years.

SCOPE OF WORK

4. Context and trends analysis

Outline the overall social, political, economic and cultural context of Local Governance in Vietnam, and critically analyze the related trends including recent policies, legal frameworks and any other factor directly affecting the structure and functioning of Governance (focus on local governance). In addition, a case study will be conducted in the province of Kon Tum in order to empirically substantiate the country analysis. The analysis should be comprehensive and should be undertaken from an unquestionable human development perspective. Among others, the context and trend analysis should consider the following issues:

- Differentiation between rural and urban areas, with special focus on the rural context.
- Pattern of central-local relations, decentralization, and distribution of financial and planning functions among tiers of government.
- Structure and organization of local governments.
- Local public administration, public financial management and public service delivery.
- Planning and budgeting processes.
- Local economic development strategies.
- Anti-corruption strategies.
- Role of local governments in poverty alleviation programs.

- Functions and institutional environment of local officials.
- Institutional frameworks and mechanisms of relations, representation and accountability between local officials and citizens.
- Associational context: functions and institutional environment of mass organizations and emerging associations.
- Grassroots democracy regulations and citizen involvement in local governance.
- Cross-cutting issues related to human development such as poverty reduction, gender, environment and human rights.

5. Gap identification

Identify gaps between trends, current program and targets, aiming to update UNDP strategy on LG for the next two years. Based on a clear identification of the sensible approach and scope for cooperation on Local Governance in Viet Nam from a human development perspective, gaps and needs will be identified. Furthermore, reasons for gaps will be explored in order to elaborate a consistent set of recommendations.

6. Recommendations

Recommendations for outlining a comprehensive strategy on LG will be made, with particular attention to the following aspects:

- Specify key findings and conclusions of the context and trends analysis that need to be incorporated into UNDP agenda in order to outline a sound strategy on LG.
- State clearly the right approach and scope for policy advice and program identification on Local Governance in Vietnam from a human development perspective.
- Identify specific areas that need further study, analytical work and/or in-depth research.
- Identify specific areas in which policy advice is currently required.
- Identify key areas in which project and program proposals are presently relevant, with particular attention to policy formulation and legal framework.
- Outline a partnership strategy on LG with Government, civil society organizations, donors, international NGOs, etc.

REPORTING AND EXPECTED OUTPUTS

7. An Evaluation Report on Governance (focus on local governance) including analysis and recommendations of about 30/40 pages, including summary, annexes, data sources and references verifying the results of the evaluation. This report will be an integral part of the Midterm Evaluation Report, and will become a key reference document for updating UNDP's strategy and agenda on governance.
8. The annex will necessarily include: (a) situation analysis of local governance in Kon Tum; (b) stakeholders analysis, including relevant Government agencies, civil society organizations, research centers, donors, and international NGOs, with brief summary of activities / involvement in governance, and contact details.

Annex 7.2

List of Agencies/Individuals Interviewed

1. List of UNDP Staff Members Interviewed (in the order of the interview time)

- Vo Hoang Nga, Program Officer, Poverty Reduction and Social Development Cluster
- Nguyen Tan Phong, Poverty Reduction and Social Development Cluster
- Jairo Acuna- Alfaro, PAR and Anti-Corruption Policy Advisor
- Christophe Bahuet, Deputy Country Director (Program)
- Koos Neefjes, Climate Change Policy Advisor
- Alex Warren-Rodriquez, Economic Policy Advisor, Country Economic Unit
- Ugo Blanco, PDG-10, Program Officer (Disaster Management)
- Jesse De Maria-Kinney, PCG-8, Sustainable Development PCG

2. UNICEF and UNFPA

- Dong Van Thuc, UNICEF
- Dao Khanh Tung, UNFPA

3. List of AECID Staff Members Interviewed

- Elena M Ferreras, Multilateral Cooperation Program Director
- Antonio Pelaez, Multilateral Cooperation a Governance Project Manager

4. List of Agencies in Kon Tum Interviewed

1. PMU and Participating Units

- PMU Director
- Dac Ha District's communes participating in the Project
- Dac Ha District's citizens from communes participating in the Project

2. Agencies at the Provincial Level

- Department of Planning and Investment
- Committee for Nationalities
- Department of Home Affairs
- Department of Finance
- Department of Labor, War Invalids and Social Affairs,
- Provincial State Treasury
- Department of Agricultural and Rural Development
- Department of Trade and Industry
- Department of Natural Resources and Environment
- Provincial Steering Committee for Anti-Corruption (including membes from DOHA)
- Provincial Inspectorate

- Women's Union
- Kon Tum Union of Science and Technology Associations and their members

3. Agencies Interviewed in Tu Mo Rong District

- District People's Committee
- Office of Finance and Planning
- District Treasury
- Office of Agriculture and Rural Development
- Office of Home Affairs
- Office of the Labor, War Invalids and Social Affairs
- Women's Union
- Youth Union
- District VFF
- Office of Trade and Industry
- People's Council of the District
- Dak Ha Commune People's Committee
- Dak Ha Commune officials responsible for land, finance, and social policy
- Dak Ha Commune People's Council
- Dak Ha Commune VFF
- Dak Ha mass organizations

4. Agencies Interviewed in Kon Tum City

- City's People's Committee
- Office of Finance and Planning
- Office of the City Treasury
- Office of Economic Affairs
- Office of Home Affairs
- Office of Labor, War Invalids, and Social Affairs
- Office of Urban Management
- Quang Trung Ward People's Council
- Quang Trung Ward People's Committee
- Quang Trung Ward officials responsible for finance, social policy, land management
- Quang Trung Ward People's Council
- Quang Trung Ward VFF and mass organizations
- Quang Trung Ward's hamlet heads

5. List of Central Government Agencies Interviewed

- President, Vietnam Association of Social Science (VASS)
- VASS Project Management Unit
- Department of Local Government Budget, Ministry of Finance
- Department of International Relations and the Department of Local Government, Ministry of Home Affairs

Annex 7.3 List of Documents Reviewed

Documents Related to SPI Consulted and Cited

- “Background Information for AECID-UNDP Meeting with the Participation of Mr. Burce Jenks”, N.D.
- “Background Information on UNDP Priority Areas of Interest to AECID”, N. D.
- “Concept Note for Activities to be Taken under the Doi Moi Review Project with Finance from AECID-UNDP SP 2006-2009” (Doi Moi Review Project Component on: “Raising Awareness and Sharing Experience on the Transition to Prosperity and Democracy in Spain”), N.D.
- “Concept Note for Activities to be Undertaken by the Country Economist Unit with Finance from AECID-UNDP SPI 2006-2009 (Research and Development Project Component on “Bringing Alternative Policies and Programs on Social Security from Other Developing Countries”), N.D.
- Detailed project outline “Support for Effective Policy Making through the development of Scientific Evidence Based Research”, N.D
- MPI, UNDP, and SLGP, “Final Report on Local Capacity Assessment in Bac Kan, Quang Nam, Tra Vinh, and Vinh Phuc Provinces,” Hanoi, December 2006.
- Strategic Partnership between Spanish Agency for International Cooperation and Development (AECID) and United Nations Development Programme (UNDP) for Vietnam: Project Memorandum. Hanoi, March 2005.
- Strategic Partnership between Spanish Agency for International Cooperation and Development(AECID) and United Nations Development Programme (UNDP) for Vietnam: Proposed Working Plan and Budget for July-December 2005, Hanoi, May 2005.
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Annex 7.4
Local Governance Report

Annex 7.4 is submitted in as a separate file.