

**GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIET NAM  
GOVERNMENT INSPECTORATE**

## **DETAILED PROJECT OUTLINE**

**“Strengthening the capacity of the Government Inspectorate and the Government of Viet Nam to monitor and report on corruption and anti corruption efforts (in compliance with the UN Convention against Corruption, UNCAC)”**

**Ha Noi, July 2009**

<b>Project Title</b>	<b>Strengthening the capacity of the government inspectorate and the government of Viet Nam to monitor and report on corruption and anti-corruption efforts (in compliance with the UN convention against corruption)</b>
<b>Governing Agency</b>	Government Inspectorate
<b>Proposing Agency</b>	Government Inspectorate
<b>Implementing Partner</b>	Government Inspectorate
<b>Implementing agencies</b>	Research Institute and other related departments within and outside GI
<b>Start and end dates<sup>1</sup></b>	2009 to Jan 2013 (EU resources to be spent by 10 June 2011)
<b>Total budget</b>	<b>US\$ 1,725,850 (equivalent to EUR 1,178,755)</b>
Total ODA grant:	EUR 800, 000
Of which:	
•	Financed by European Union           EUR 800,000 (equivalent to US\$1,171,303)
•	UNDP Regular resources/TRAC       EUR 80 000 (US\$117,130)
•	GI contribution in kind:               EUR 109,280 (US\$160,000)
•	Other resources to be mobilized       EUR 189,475 (US\$277,417)
<b>Project Implementation sites</b>	Ha Noi
<b>Government priority areas</b>	Institutional capacity strengthening and strengthening research capacity

#### **Brief Description**

The fight against corruption is a high priority for the Government of Viet Nam and since signing the UN Convention against Corruption in 2003, the Government has embarked on a major drive to strengthen its legal and institutional framework for preventing and combating corruption. However, mechanisms to tackle corruption remain rudimentary and poorly enforced as the political, administrative and financial systems are adapting to the rapid deregulation and liberalisation of the market.

The development outcome of the project is to **improve the ability of the Government of Viet Nam to prevent and combat corruption in compliance with the UN Convention against Corruption (UNCAC)**

The project will be implemented over a 4 year period, with three specific objectives:

- 1. To strengthen national capacities to comply with the international norms and standards provided by UNCAC**
- 2. To strengthen institutional capacities for monitoring and evaluating corruption and anti corruption efforts in compliance with UNCAC**
- 3. To strengthen partnership building and public involvement in the monitoring and evaluation of corruption and anti-corruption efforts in Viet Nam**

The Government Inspectorate plays a key role both as an implementer and as an advisor of the Government's anti corruption policies; therefore, main beneficiaries of this project are the various departments of GI, as well as other key agencies at the national and local level such as research institutes and more general the wider public.

This project presents a complimentary component to and work in tandem with the POSCIS project, in which Sweden, Denmark, Canada, Norway and the Netherlands jointly support GI to strengthen its capacity in a comprehensive manner.

<sup>1</sup> The project will be continued for a further 12 months and funded with non EU resources.

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## I. PROJECT JUSTIFICATION

### 1. 1 Brief analysis of current situation and of government reform strategy and priorities

#### The state of corruption

Corruption constitutes a major threat to development and stability. Experience from across the globe confirms that corruption holds back economic growth, distorts public services, deters investment, undermines employment opportunities, and adversely affects people's trust in government and the rule of law. Hardest hit are often the poor, who have no resources to compete with those willing to pay bribes. There is also evidence to suggest that in the Asia Pacific region corruption undermines programmes specifically designed to aid the poor, and diverts public resources away from socially valuable goods, such as education and health.<sup>2</sup>

Both the Communist Party and the Government of Viet Nam consider corruption as one of the major obstacles to the economic and social development of the country. While the first efforts to develop a legal framework on corruption date back to the late 1990s, comprehensive anti-corruption reforms were only started in 2003, when the Government of Viet Nam signed the UN Convention against Corruption (UNCAC). The next watershed was the passing of the new Law on the Prevention and Combating of Corruption in November 2005, which became operational in June 2006. A vast secondary legislative framework is accompanying the Anti Corruption Law regulating the interpretation and implementation of individual articles.

Mechanisms in place to tackle corruption however remain rudimentary and poorly enforced as the political, administrative and financial systems are adapting to the rapid deregulation and liberalisation of the market. The consistently low ranking of Viet Nam in Transparency International's Corruption Perceptions Index<sup>3</sup> and the Worldwide Governance Indicators by the World Bank are proof that tackling corruption remains a challenge. Although the Anti-Corruption Law considers the fight against corruption as part of the broader Public Administration Reform process, increased attention must be paid to institutional deficiencies and the root causes of corruption, including transparency, accountability, access to information and participation. The Government is currently trying to face these challenges by developing a national anti-corruption strategy.

According to the 2005 Law on Anti-Corruption (LAC) and Resolution No. 04-NQ/TW on Enhancing the Leadership of the Party against Corruption and Wastage, tackling corruption is considered a political issue with a number of comprehensive and long term solutions. However, the challenge remains to find an effective way to enforce laws and regulations, alongside raising public awareness on anti-corruption.

In a context where gift giving is an essential part of maintaining social relations and seen within the context of a rapidly developing economic system where social relations are a means to cope with change and provide a degree of social protection from market uncertainties, drawing a clear line between financial gain and social integration is thus not always possible. In order to fight corruption successfully in Viet Nam, corruption must continue to be seen as a long term commitment, accompanied by a process of fostering transparency, the rule of law and national citizenship based on commonly shared rights and obligations.

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<sup>2</sup> See UNDP (2008) *Tackling Corruption, Transforming Lives: Accelerating Human Development in Asia and the Pacific*. Asia – Pacific Human Development Report. Macmillan, Sri Lanka.

<sup>3</sup> According to Transparency International's Corruption Perceptions Index, Viet Nam ranks at the bottom 25<sup>th</sup> percentile with scores of 2.4-2.6 out of 10 since 2001 (see [www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi)). A similar pattern is reflected in the "Control of Corruption" index of the Worldwide Governance Indicators compiled by the World Bank (see [info.worldbank.org/governance/wgi](http://info.worldbank.org/governance/wgi)).

## Institutional set up and legislative framework

Viet Nam has a vast anti corruption legislative framework. The most prominent law is the aforementioned Law on the Prevention and Combating of Corruption, which is supported by secondary legislation. Yet, effective implementation of the Law on the Prevention and Combating of Corruption remains a serious challenge.<sup>4</sup>

Following the Law on Anti-Corruption, the National Assembly introduced Resolution No. 1039/2006/NQ-UBTVQH11 which confirms the role of the National Steering Committee for Anti-Corruption as the organ mandated to direct, coordinate, examine and follow up on all anti-corruption activities throughout the country. The NSCA is chaired by the Prime Minister and is supported by the Permanent Office of the Steering Committee for Anti-Corruption (also known as OSCAC), which was set up in early 2007. Since September 2007 Steering Committees have also been set up on the provincial level. According to Resolution No. 294A/2007/UBTVQH12 of the National Assembly's Standing Committee, the main functions and mandates of Provincial Steering Committees for Anti-Corruption (PSCAC's) are to direct, coordinate, examine and follow up on all anti-corruption activities of agencies, organizations, units and competent persons within a centrally-run province/city, including those at the central level located in the province/city. PSCAC's are now operational in almost all of Viet Nam's 63 provinces and cities. The heads of PSCAC's are charged with coordinating anti-corruption tasks, a responsibility with the potential for conflict of interest.

Although both OSAC and the Government Inspectorate play significant roles in combating corruption, the GI's mandates and functions are separate from those of OSCAC. With the function of state management in the field of anti-corruption, the main mandates of the GI are to draft policies and to issue legal normative documents relevant to anti corruption, alongside inspecting and providing guidelines for the implementation of anti-corruption laws and the set up and maintenance of the national database on corruption and anti-corruption, which will serve to improve the activities of monitoring and reporting on the state of corruption and anti-corruption efforts. The GI has taken a lead role in combating corruption, drawing on its knowledge base the attached at the Research Institute (GIRI).

According to the LAC specialized anti-corruption units are to be set up within the GI, the Ministry of Public Security (MPS) and the Supreme People's Procuracy (SPP), Two Departments have recently been established in the SPP and the MPS to be in charge of the investigation and prosecution of corruption.

In addition, all Ministries are required to issue anti-corruption action plans within their agencies as a means to implement and mainstream anti-corruption measures.

Within the GI an Anti-Corruption Bureau (ACB) has been established since October 2006. The ACB is responsible for assisting the Inspector-General in state management of anti-corruption work and conducting inspections on anti-corruption within the authority of the GI granted by law.

## Data on corruption

Actual data on corruption in Viet Nam exists to some extent, and with increasing donor support in this field is likely to improve<sup>5</sup>.

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<sup>4</sup> See Danida's assessment of implementation of the AC Law prepared for the second Anti-Corruption Dialogue in December 2007.

<sup>5</sup> Under the five donor project POSCIS, for example, will support the development of a strengthened system of monitoring of the functions of the country's inspectorates

The majority of assessments that exist are mainly cross-country surveys (see footnote 2) although a unique snapshot on the types and causes of corruption in the country is provided by the draft “diagnostic” survey/study on corruption, carried out by the Central Committee of Internal Affairs in 2004-05. The few other available surveys focus on the private sector, including the Provincial Competitiveness Index with some questions related to transparency. A positive development is the addition of a governance module in the 2008/9 Viet Nam Household and Living Standards Survey (VHLSS), which is expected to be ready in the first half of 2009. This module includes some questions related to corruption at the national level that will require comprehensive and systematic analysis.

The GI has stated that one of the biggest challenges for Viet Nam in the fight against corruption has been the lack of data and analysis. Data exists only sporadically and is not systematically collected, analysed and reported upon. Currently it is not possible to establish trends and make projections on the levels of corruption that would be comparable over time. The impacts of anti corruption efforts also remain largely unmeasured.

The absence of a systematised national indicator system and supporting mechanisms, have resulted in undeveloped institutional and human resource capacities within the GI to fulfil the tasks of compiling and preparing annual reports (the main one being the Annual Reports to the National Assembly).

### Research

The Annual Report to the National Assembly, which not only documents the progress of implementing the Anti Corruption Law and related legislative frameworks, also functions as a policy advocacy tool. As the Report analyses the shortcomings and weaknesses in the implementation of anti corruption laws and provides subsequent recommendations, founding such recommendations on research and evidence becomes a prerequisite.

However, the GI is aware that supporting research, especially relating to monitoring aspects, remains limited. The benefits of linking to other Vietnamese research institutes and knowledge pools have also not been explored.

As enshrined in the Anti Corruption Law and several Human Rights Conventions ratified by Viet Nam, the legal basis to access and share information with the wider public exists. However, research and other relevant information is not always accessible and effectively shared with the wider public and non government stakeholders, meaning that existing research and information has remained underutilised.

### Integration into regional and global anti corruption frameworks

The effort to combat corruption in Viet Nam is pursued on national, regional and international levels. Viet Nam has formally endorsed the ADB-OECD Anti Corruption Initiative for Asia and the Pacific and its Action Plan in 2004, Viet Nam is part of the ASEAN cooperative agreement on anti corruption and is a member of APEC's Anti-Corruption and Transparency Expert Task Force (ACT), made up of law enforcement officials from APEC member economies.

Viet Nam has furthermore signed the UN Convention against Transnational Organized Crime in 2000 and the UN Convention against Corruption (UNCAC) in 2003. In July 2009, Vietnam has ratified the UNCAC after having a huge efforts for preparation before.

The current reporting to the ADB Secretariat is one of the few international reporting requirements Viet Nam has to fulfil, however it is limited in scope, focusing only on reviewing policy regulations. Hence until now Viet Nam has developed very few mechanisms that would allow for effective and high

quality reporting on the regional or international level. This means that future correspondence with the UNCAC Secretariat or other international or regional anti corruption frameworks can only partially build itself from prior experience, know-how and resources.

## **1.2 Lessons learned from past cooperation with donors**

In recent years, governance and corruption have emerged as central topics in the dialogue between the international donor community and the Government. As a result of the strong political commitment to fight corruption and the progress made in terms of legal reform for anti-corruption, opportunities for technical assistance in this area have also increased. In line with the Hanoi Core Statement on better aid effectiveness, Viet Nam has implemented a number of initiatives aimed at reducing corruption. The most relevant support programmes for this project are:

- “Initial support for Anti-Corruption efforts in Viet Nam”, funded by UNDP (completed). This project supported the Government in reviewing the then-existing legal framework for anti-corruption and provided recommendations to ensure compliance with the UNCAC”.
- “Support to the drafting and dissemination of the Law on Anti-Corruption”, funded by UNDP (completed). This project provided technical inputs for the finalisation of the Law and facilitated broad-based consultations on successive drafts. The project has recently produced a handbook and various information materials on the Law, to be disseminated at the sub-national level.
- “Strengthening Comprehensive Capacity of the Inspectorate System up to 2010 (POSCIS)”, funded by Sweden, Denmark, Norway, Canada and the Netherlands (ongoing), put into operation from 2008 to 2012 with an overall goal of building an inspectorate sector that is ethical, consolidated, step-by-step professionalized, modern and capable of effectively implementing inspection, complaint and denunciation handling, and anti-corruption tasks; Project specific inter-related objectives are as follows: 1: To strengthen the professionalism of inspection activities through standardization of inspection procedures, provision of specialized guidance, and division of responsibilities and management so that the sector becomes the driving force for improving the effectiveness, efficiency, and accountability of state management agencies; 2: To strengthen the role of the inspectorate sector in handling complaints and denunciations with emphasis on inspection of accountability, reform of the citizen meeting process through simplification of procedures, legal and policy improvement, and procedural standardization with due consideration of the different factors pertaining to rural and urban areas; 3: To strengthen the efficiency of inspection activities in preventing, detecting, and handling corruption by setting up a specialized unit, developing a risk warning system, and strengthening the system of related legal documents; 4. To reform personnel management with the aim of attracting intelligent applicants and mitigating risks arising from cadre re-assignment and rotation; 5 To reform research and training to support Objectives 1 to 4; 6. To strengthen coordination between inspectorate units and other review, audit, investigative, and prosecution agencies; 7. To strengthen the relationship between the inspectorate sector and the public through a disclosure and transparency policy; 8. To apply information technology to support Objectives 1 to 7; and finally 9. To build capacity for results-based monitoring and evaluation activities within POSCIS.
- “Support to the ratification of UNCAC”, funded by Denmark (completed). This project assisted the Government in preparing for the ratification of the Convention through research, study tours and legal reviews.
- “Technical assistance to the Government Inspectorate”, funded by the ADB (completed). This small-scale project focuses on strengthening capacities and systems for information management and communication on anti-corruption).

- “Diagnostic study on corruption in Viet Nam”, funded by Sweden and carried out by the Central Committee of Internal Affairs in 2004 (completed).

Key lessons learned from the above cooperation include:

- Strong national ownership and political leadership and commitment are key to the success of cooperation initiatives.
- Comparative perspectives, knowledge and experiences drawn from outside of Viet Nam can significantly increase value added to demand-driven efforts of national beneficiaries. In this sense, development and successful operation and full integration of M&E system and indicators into national framework is essential for result-based management and sustaining of anti-corruption efforts.
- Data, especially those supported by evidence to be obtained from experiments and research work, done in a participatory manner, are extremely beneficial for both recipients as well as for donor partners.

### **1.3 UN comparative advantages**

The comparative advantage of UN in support for strengthening anti-corruption capacity of GI and of the Government of Viet Nam lies in its impartiality, neutrality and reliability; a long-term mutual partnership that has been built and continuously developed since the late 1970’s. Moreover UNDP has demonstrated its ability to develop multi-lateral development partnership, attracting and coordinating financial resources among multilateral and bilateral donors for capacity development in sensitive areas such as parliamentary development, legal system development and PAR, among others.

Particularly since mid 2008, the unification of United Nations organizations with the One United Nations Fund has created a streamlined cooperation and coordination framework through the One UN Plan and Fund, in which UNODC, UNDP and other UN agencies take part actively. UNDP and UNODC take a leading role in the Governance segment (Outcome 4) of the One Plan. UN support in this very project is particularly relevant as the project aims mainly at supporting Viet Nam in enhancing its capacity to implement the United Nations Convention on anti-corruption. UNODC’s active participation in this project is particularly relevant, especially in regard to the first objective, in which it can provide a leading support.

### **1.4. Statement of issues to be addressed by the project**

- a) **Lack of database and poor quality of action and policy-oriented research and analysis.** Perhaps the biggest challenge for the fight against corruption in Viet Nam has been the lack of data and capacity to analyse it when it becomes available. Access to information and data exists only sporadically and is not systematically collected, analysed and reported upon. This situation calls for greater efforts to build capacity and know-how, as the impact of anti corruption efforts also remains largely unknown.
- b) **Insufficient capacity for international reporting obligations.** The absence of a systematised national indicator system and mechanisms to monitor anti-corruption effectiveness has resulted in undeveloped institutional and human resource capacities within the GI to fulfil the tasks of compiling and preparing the compulsory Annual Reports to the National Assembly. The GI also lacks the capacity and foundation to fulfil any future international reporting obligations under international conventions or treaties.
- c) **Lack of a national monitoring and evaluation procedures and tools.** The above mentioned issues recall also the need to strengthen monitoring and evaluation procedures. A first step is the development and compilation of indicators (i.e. Governance Module in VHLSS), yet further efforts needs to be put in place to go beyond this initial level



and build comprehensive systems of monitoring and analysis corruption and anti-corruption data and information when it becomes available.

- d) **Weak communication capacity, partnership building and networking for AC.** The fight against corruption is most effective when coalitions are in place and exchange of information and knowledge is fostered. Anti-corruption is not only the responsibility of the Government, nor the GI, but rather a collective effort involving other key stakeholders and actors.

These issues have been examined and translated into project objectives and expected outputs to be achieved with support from the project.

## II. PROJECT OVERVIEW

### 2.1 Main contents

The project has been designed to contribute to the achievement of UNDAF outcome 3, One UN Plan outcome 4 and the One UN Plan output 4.4 in particular:

- **UNDAF outcome 3:** Policies, law and governance structures conform to the values and goals of the Millennium Declaration
- **One UN Plan outcome 4:** The principles of accountability, transparency, participation and rule of law are integrated into Viet Nam's representative, administrative, judicial and legal systems
- **One UN Plan output 4.4:** National capacities and legal/institutional mechanisms strengthened to facilitate the implementation of the UN Convention against Corruption and the national Law on Anti Corruption.

The development outcome of the project is defined as follows: **Improved ability of the Government of Viet Nam to combat and prevent corruption in compliance with the United Nations Convention against Corruption (UNCAC).**

The three specific project objectives and key expected outputs are as follows:

#### **Objective 1: To strengthen national capacities to comply with norms and standards provided by UNCAC**

##### **Key expected outputs:**

- 1.1 Strengthened capacity to coordinate compliance and reporting mechanisms under UNCAC
- 1.2 Strengthened capacities for international cooperation under UNCAC

#### **Objective 2: To strengthen institutional capacities for monitoring and evaluating corruption and anti-corruption efforts in compliance with UNCAC**

##### **Key expected outputs:**

- 2.1 Strengthened national capacity for monitoring and evaluating the prevention and combating of corruption in compliance with UNCAC
- 2.2 Monitoring and data collection
- 2.3 Improved cross-agency system developed for data collection, monitoring, evaluation and reporting
- 2.4 Strengthened capacity in GI for analysis and reporting

**Objective 3: To strengthen partnership and public involvement in the monitoring and evaluation of corruption and anti-corruption in Viet Nam**

**Key expected outputs:**

- 3.1 Strategic and evidence-based high quality research produced following internationally accepted research methodologies and following participatory approaches
- 3.2 Access of the public and mass media to research results and information on corruption improved

To facilitate understanding of how respective outputs will be achieved, very indicative project activities are defined and put in the first column of the Results and Resources Framework at this early stage. Upon approval of the detailed project outline, activities will be meaningfully specified in the Annual Work Plan, which will be agreed and signed by senior management of project parties.

**2.2 Indicative project budget –**

A very preliminarily estimated project budget is shown in the following table:

<b>Item</b>	<b>US\$</b>
Consultancy services (National and international consultants)	549,510
Project management support staff	96,000
Travel expenses	134,000
Research services (sub-contracting through contractual service companies)	444,000
Equipment, furniture and office cost	83,000
Communication and advocacy activities , visibility actions	22,500
Training activities (Workshops, seminars,, trainings courses, study missions (in-country and abroad),	134,400
<b>General management cost</b>	<b>102,439</b>
<b>Total:</b>	<b>1,565,849</b>

Every year, output - based budget will be specified in AWP and agreed between the project parties (GI and UN).

Total government contribution in kind is roughly estimated as shown in the following table:

<b>Government contribution</b>	<b>Total</b>
1. GI's personnel (NPD, taskforce, secretary, drivers, odd jobs)	50,000
2. Miscellaneous (car fuel, electricity, water, local telephone and fax)	35,000
3. Office/ WS spaces, furniture	75,000
<b>Sub-total Government contribution</b>	<b>160,000</b>

**2.3 Project implementation strategy**

General strategic approach

The implementation of the project will as far as practically possible follow the principles set out in the Hanoi Core Statement on Aid Effectiveness, which emphasizes ownership by the beneficiary, alignment

to national management systems, common monitoring, evaluation and reporting systems, results oriented performance assessment and joint donor and beneficiary accountability. The support provided by UN agencies is of a supplementary character, bringing added value in the sense that it enables the GI to do things it would not be able to do with existing capacities and resources. Bringing in comparative international best practice through external consultants is thus anticipated when appropriate and necessary.

The project will bring about a number of tangible outputs that together are expected to contribute to the long-term objective of reducing corruption in Viet Nam. Such outputs will mainly come in the format of technical assistance, new methodologies, strategies, tools, studies and consultative processes. The planning of such outputs will be done in a consultative manner to ensure that already existing resources, such as those provided by POSCIS, will be integrated and utilized in the project rather than being recreated. In this regard, particular attention should be paid to drawing on the experiences and results of ongoing technical assistance projects.

The Government Inspectorate will be the Implementing Partner (IP) of the project. The direct beneficiaries of the project are

- GI, including departments, particularly ACB, GIs Office, Legislation Department (LP) and GIRI;
- Other relevant state agencies, including OSCAC, MPS; SPP, SPC, State Audit and Provincial entities in participating provinces;
- Participating research institutions
- Participating societal entities, including VCCI, VJA and VFF and NGOs, media

As the GI will be the implementing and executing agency of the project, the PMU (Project Management Unit) will be integrated into POSCIS PMU. The Permanent Deputy Inspector-General will be the Director of POSCIS PMU, cum the Director of UNDP PMU.

In accordance with the human rights-based approach to development, the project will furthermore seek to develop and enhance links between a broad range of Vietnamese institutions covering the corruption field.

#### Strategic approach for multidisciplinary issues

- Firstly, the GI with the function of the implementing agency POSCIS PMU will be fully responsible for the project and accountable to UNDP for the quality of project activities, outputs and results, as well as the proper use of all assigned resources.
- Secondly, as the project will only be of benefit when it is implemented across different institutions, sectors and state levels; coordination, communication and information sharing with stakeholders are critical. In particular, the project needs to build synergies with other internationally funded projects that have similar objectives in supporting the GI to avoid duplication.
- Thirdly, responding to the Plan of Action for the Advancement of Women in Viet Nam, the National Gender Mainstreaming Guidelines, the Law on Gender Equality, and the UN Convention for the Elimination of Discrimination against Women, ratified by Viet Nam, the project will develop specific gender-sensitive indicators and benchmarks as part of the development of a national indicator system to ensure the research covered by the project includes gender analyses. A gender equality perspective should be applied to the planning, implementation and M&E of the project. To that end, measures should be taken to: (a) integrate gender equality consideration in the planning and implementation of all project activities; (b) ensure a minimum level of 30% participation of women in all project activities; (c) collect and analyse gender-sensitive data for project monitoring and impact evaluation (d) promote desegregation of data and gender sensitive analysis.

## GI's capacity

Facing new development requirements, especially in the transition process to the market economy, building a rule-of-law state, and seeking international integration, the GI and its different departments should be strengthened. Institutional and staff capacity are thus still in the process of being built up. Aware of the limitations of the capacities of the GI, the GI is currently not only implementing a comprehensive capacity programme (POSCIS) but is also undergoing a management restructuring exercise so as to optimise the work of different departments.

The POSCIS project is by far the largest capacity building exercise the GI is conducting and has conducted in the past. Both projects, POSCIS and the GI-UNDP project will thus need to find effective mechanisms for optimum coordination with one another. This would not only avoid straining GI capacities but also guarantee that the projects are complimentary in order to avoid overlaps and duplication.

To ensure proper project management and especially coordination requirements, a Regulation on Project Management for the two projects (POSCIS and UNDP Project) will be issued right after the DPO is approved by the Prime Minister in line with the requirements set forth in the Decree 131. This regulatory framework will, among others, optimise the coordination between the POSCIS Programme and UNDP Project.

## **III. PROJECT MANAGEMENT**

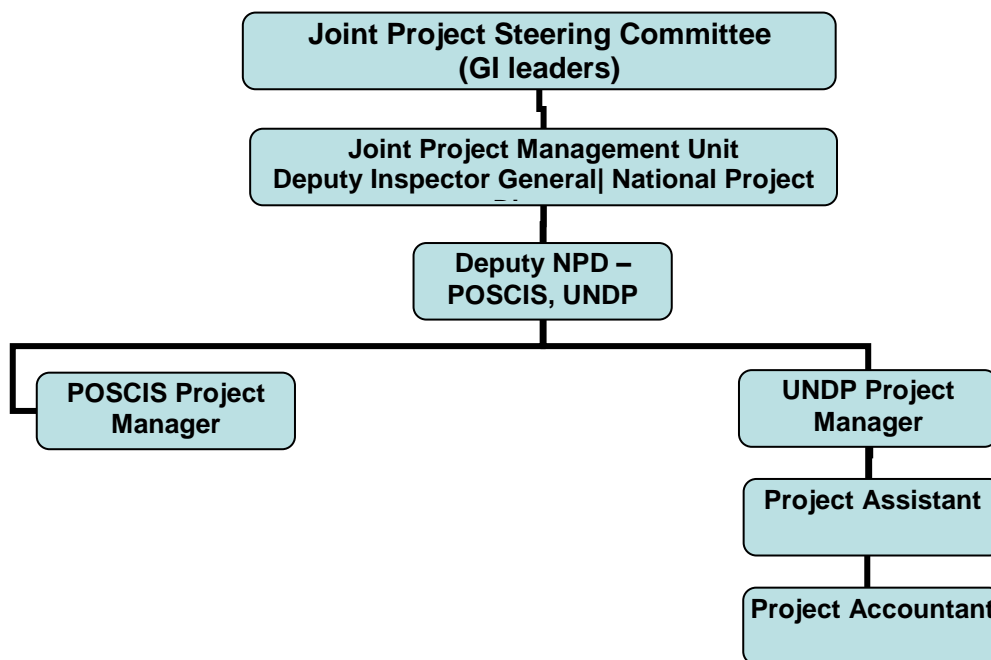
### **3.1. Project Management Arrangements**

a) UNDP Project Steering Committee will be merged with POSCIS Steering Committee for the Joint Project Steering Committee (JPSC): The JPSC will comprise of the Inspector – General (Chairman), the Standing Deputy Inspector-General (Vice Chairman), directors of GIRI, ACB, Personnel Department, International Relations Department

b) UNDP Project Management Unit will also be merged with POSCIS Programme Management Unit for the Joint Project Management Unit (JPMU): The JPMU will comprise of some positions as follows:

- The Standing Deputy Inspector-General Project Director (Who will be considered as the National Project Director of UNDP Project)
- Two representatives from departments and units of GI will be nominated to the position of deputy Project Directors, one of them will be in charge of UNDP Project. In addition, one more representative of ACB, GIRI or the International Relations Department will be officially released from GI duties to act as a full-time Project Manager (to be paid against UNDP project budget). The recruitment of this position from the market could be considered when a representative of the GI is not available.
- Two project support staff will be recruited from the market for the two full-time positions including Project Accountant and Project Assistant (to be paid against UNDP project budget)
- Advisory and technical inputs: international and national specialists

The above arrangements are shown in the management structure below:



The PMU management structure as outlined will be a provisional structure. Upon commencement of the POSCIS programme, the PMU set up and the contractual arrangements of its members would be reviewed so as to allow for optimal harmonization between both the POSCIS and UNDP PMUs. Both PMUs are to aim for optimal harmonization in terms of both function/responsibility of PMU members and their remuneration.

## IV. Project Coordination

### 4.1 Coordination with Vietnamese agencies

Apart from ensuring full engagement of key departments of the GI such as GIRI, ACB, ICD, etc, the project will maximize the participation of other Vietnamese agencies such as OSCAC, SPP, MPS, ONA, the judiciary Committee of the National Assembly, other research institutions, media and civil society, during project implementation through relevant mechanisms including: i) National Action Plan for Anti-corruption, in which GI plays an important role; ii) the M&E system and framework and indicators that takes stock and measures anti-corruption progress to be made by respective agencies; iii) Meetings of the Project Steering Committee twice a year. Project progress review reports of past six months as well as key priorities and directions for the forth coming six months shall be prepared in a way that provides overviews and analysis of achievements and participation of relevant agencies in achieving them; iv) Information sharing and exchanges of views, most notably through project research publications, surveys and mission reports, which will be posted on GI/project web-sites.

### 4.2 Coordination with donors

A part from the current project management/coordination regulation, under overall supervision and guidance by the joint NPD for both POSCIS and this project, project coordination will be enhanced through project planning and the implementation process. Specifically, during the planning, annual work planning (AWP) of both projects will be carried out in a participatory manner by involving key actors and partners of both projects, such as project managers, GI's departments, and by sharing draft AWP's with each others. It is anticipated that the draft AWP's of the two projects would be made available during November of each year to allow sufficient time for mutual consultation between the

two projects, as well as other interventions which relate to anti-corruption, such as PAR projects, projects supporting the National Assembly and people's councils, and local governance interventions which contain elements supporting anti-corruption efforts, among others. During project implementation, efforts will be made to carry out cost-effective joint activities as well as to share project supplies and to keep each other up-to-date in order to enhance synergies and avoid unnecessary duplication.

UNDP and UNODC will coordinate their support to the project through UN coordination mechanism such as Programme Coordination Groups. Thus, UNDP and UNODC will provide unified and consolidated support to the project as one UN team.

### **4.3 Financial Management**

The project will be implemented by way of national execution, in line with guidelines for nationally executed projects. The Government Inspectorate will be the national implementing partner.

The allocation and expenditure of resources will be made in accordance with the agreed Annual Work Plan (AWP) and Quarterly Work Plans (QWPs).

The AWP will be prepared in time for the Annual Project Review Meeting (see further below), to be held towards the end of each calendar year. The AWP will be presented in a matrix format, providing details on outputs, indicators, inputs and budget allocations, accompanied by a narrative section outlining the relevance/justification for each activity and the modes of implementation. The draft final AWP will be consulted with the UN team during December of the current year and should be signed by competent authorities of both GI and UNDP within January of the following calendar year.

The Quarterly Work Plans will be prepared and submitted to UNDP at least two weeks prior to the commencement of the new quarter. It will be accompanied by draft ToRs for key activities to be initiated in that quarter. The QWPs will be jointly reviewed and approved by GI and UNDP in close consultation with UNODC and other concerned UN agencies as appropriate. The final QWPs, along with quarterly progress reports/financial reports (see below); will form the basis for the quarterly financial advances to the project.

### **4.4 Monitoring and Evaluation**

A monitoring and evaluation (M&E) system for the project will be designed during the inception phase. The M&E system should be based on the indicators and targets set out in the Project Results and Resources Framework. Besides serving as a compliance system to track progress against activities, outputs and outcomes, the M&E system should also provide the data and lessons to enable project improvements.

Monitoring is a continuous or regular collection and analysis of data, providing feedback, in order to review implementation progress. It is an integral part of day-to-day management. The purpose of monitoring is to enable project management to identify and solve problems, or take corrective measures, as early as possible. Monitoring therefore involves providing project management with up to date information on whether:

- Material, financial and human resources are sufficient
- The work plan is being implemented
- Progress is being made towards achieving expected outputs and outcomes

Evaluation, on the other hand, is carried out at specified times to identify useful lessons to enable forward planning and sound development decisions.

The project will be subject to an inception review (tentatively after six months) and independent mid-term review after 18 months of implementation. Apart from assessing the results of the project to that date, the review will seek to analyse the changes, if any, in the overall context of the support, the implications of such on the project, and make recommendations for adjustments in project design and implementation arrangements accordingly. In addition, an independent end-of-project evaluation will be undertaken as one of the final activities of the project. Data collection could be undertaken specifically for an evaluation exercise but very often evaluation uses the data collected through regular monitoring.

The project is subject to the monitoring and evaluation practices outlined in relevant Guidelines agreed by UNDP and the Government of Viet Nam, and other legal provisions of Viet Nam related to the management and use of ODA (Decree 131, issued on 9 Nov 2006).

The following are the main monitoring instruments:

- An inception review report (6 months after its launch)
- Quarterly Project Progress Report
- Annual Project Progress Report, Mid-term review report
- Project Visits or Field Visits
- Post-Training Evaluation Forms
- Financial Reports

After completion of the project an external audit will be conducted according to the annual audit schedule of UNDP

## V. OTHER ISSUES

### 5.1 Feasibility and Risk Assessment

In general, the feasibility of achieving project key outputs is very high. This is mainly attributed to a) the project is to be fully integrated into the GI's system, and is being considered as part of its efforts to and efficient tools for addressing corruption in the country; One indicator of this is the joint management of both projects under a joint and senior leader of GI-Deputy General Inspector. b) The project focuses on producing the outputs, which are considered to be most effective for GI to effectively deal with corruption – M&E system. Such a demand-driven approach will ensure high interest and incentive for GI in implementation of the project.

Nevertheless, as already indicated in fore-going sections of this document, there still exist several challenges/risks, which would threaten project success, including those selected and elaborated in the following table with suggested risk mitigation: .

Risk	Level of Risk	Mitigating Strategy
GI and GIRI's capacity to implement project in an effective and efficient manner is restricted	Medium	Partly or fully integrate the project with existing arrangements to implement donor supported projects to minimise

		transaction costs
Government reluctant to deal with corruption in an open manner, one that also involves the public	Medium/high	Reach an agreement early on that openness in monitoring and fact-finding is an integral part of the project and essential to its success.
Lack of cooperation from other state and provincial agencies	Medium/high	Attempt to mobilise support from the highest levels of Government to assure inter-governmental cooperation
Lack of capacities in research organisations to do high quality research on corruption	Medium	Pay attention to the need for capacity building and to provide technical support from international researchers and international research organisations

## 5.2. Socio-economic benefit and impact.

The benefits of the project are tangible in terms of increased capacities at both institutional and individual levels, which would make GI and other related government agencies more capable of dealing with corruption. Just to name some of more specific results: The M&E system and framework, which is expected to follow best international practices, to be developed and used for the first time of its kind in the country; the AC database, which is also supported by quality research evidences and developed in a participatory manner; the partnership and networking that involves active members in and out of country etc.

The impact that the project would make on the national reform agenda is expected to be large in terms of contributing towards a corruption-free and enabling environment that becomes much more attractive for businessmen/women and investors, who eventually would contribute to Viet Nam's faster and more sustainable growth and development in the coming time.

## 5.3. Gender issues.

Corruption appears differently in terms of gender. Thus, the project will address gender dimensions as follows:

- Proper attention will be paid to every project activity including awareness raising, advocacy, communication and training, recruitment of project personnel, etc. to ensure gender concerns are properly considered and addressed adequately
- Database and research data and findings will be gender sensitive
- Monitoring and evaluation indicators will be divided into sexes as/when possible.

## 5.4. Sustainability of the project.

Technical sustainability mainly relates to database and M&E systems and indicators over time after they are successfully developed and put into use. Thus, GI will make sure that adequate institutional back up is there all the time even during project implementation to ensure institutional memory and follow-up. This important role will be assigned to ACB, GIs Office, LD and GIRI.

To a lesser extent, sustainability also relates to research and data analysis. This will be addressed through integrating the data and findings into the database and processes of GI.



There would not a significant fear regarding financial sustainability as all major project interventions are parts of current and future work of GI and other Vietnamese institutions.

#### **5.5. Environmental issues.**

Not applicable in this case.

#### **5.6. Capacities of the Implementing Partner**

The GI is the IP. As mentioned above, this is not the first time GI cooperates with UN/DP and other donors in this field. Technically and financially speaking GI is well positioned to make the project a success. The project management arrangements in terms of appointing the Deputy Inspector General as the joint NPD of the two projects is an indicator of strong ownership and political commitment and support for the project success.

It is possible that some operational issues may cause delays in project implementation due to different operational management guidelines and procedures between this and the POSCIS project. To mitigate this constraint, the project shall have a full-time project manager, who will be assisted to grasp and successfully apply UNDP project management procedures, which are predominately NEX-based. As the project advances, the parties will consider key practical measures to ensure smooth implementation of the project.

#### **5.7. Time frame**

The project will start in the last quarter of 2009 and operate until 2013.

#### **5.8. Project budget allocation.**

See section 2.2. for indicative rough project allocation per inputs.  
More specific output-based budget allocation will be specified in AWP.

#### **5.9. Confidentiality and visibility.**

GI, EU and participating UN agencies have joint intellectual property rights for the outputs and products produced by the project. When publishing papers and other material resulting from the project, the logos of these organisations must be included and attribution made to the project and the three organisations.

## **Annex 1: Proposed consultancy service**

Very indicatively, a preliminary list of proposed consultancy services per outputs is as follows:

Output 1. To strengthen national capacities to comply with norms and standards provided by UNCAC

- One international senior expert on UNCAC's norms and reporting mechanisms (six months)
- One international expert and two national legal experts on gap analysis (two to four months each)
- After completion of the first year and based on counterparts needs the positioning of a longer term technical expert to assist on UNCAC may be considered.

Output 2. To strengthen institutional capacities for monitoring and evaluating corruption and anti-corruption efforts in compliance with UNCAC

- One international senior expert on data collection, processing and analysis of governance and corruption related data (four to six months)
- One international and national experts on data reporting mechanisms (three to five months each)

Output 3. To strengthen partnership and public involvement in the monitoring and evaluation of corruption and anti-Corruption in Viet Nam

- Research contracts to national research centres and civil society organizations
- Research contracts with international experts on corruption (questions and issues will have to be identified by the project, but mainly about data collection, reporting and analysing). For example, research contracts with specialized research firms like DIAL
- Communications strategy specialist(s) to disseminate research findings (two months together)

In addition to the above suggestions, on a cross-cutting and general level, training services might be sub-contracted to improve and strengthen GI's capacities to:

- Data collection and data storage
- Report writing and strategic analysis
- Effective international cooperation (i.e. communication skills)
- Partnership building

All of the above suggestions need to be revised and discussed during the first months of the project and during the early planning stages.

## Annex 2. List of supplies

Quantity	Item	Local/import
15	Computer	Import
01	Shredder	Import
01	Scanner	Import
01	Photocopier	Import
01	Amplify + Mixing + Equalizer	Import
01	Speakers	Import
30	Cordless headphones	Import

## PART 2: PROJECT RESULTS & RESOURCES FRAMEWORK

#	Level	Indicators	Baseline	Target	Method of verification	Assumptions
	<p><b>Project development outcome</b></p> <p><b>Improved ability of the Government of Vietnam to combat and prevent corruption in compliance with UNCAC</b></p>	<p>Levels of corruption reduced measured against dashboard indicators</p> <p>Vietnam follows international accepted reporting standards</p> <p>High quality reports</p>	<p>Low effectiveness of government anti corruption policies</p> <p>Existing monitoring mechanisms do not comply with UNCAC's standards and norms</p>	<p>Anti corruption policies adapted</p> <p>Ability to fulfil duty to share information with the public</p> <p>Compliance with monitoring and reporting norms and standards (based on UNCAC)</p>	<p>Mid Term and end of project reports</p> <p>Reports produced by GI and GIRI for the Government</p>	<p>The Vietnamese Government is committed to comply with norms and standards provided in UNCAC</p> <p>Government is committed to provide strong and credible monitoring of corruption and anti-corruption</p>
	<p><b>Project objective</b></p> <p><b>To Strengthen national capacities for monitoring and evaluating corruption and anti-corruption efforts in compliance with UNCAC</b></p>	<p>Monitoring and evaluation system that tracks corruption levels functioning</p> <p>Research linking to monitoring of corruption available</p> <p>Public availability of information</p>	<p>No systematic monitoring and evaluation system in place that tracks corruption and the effects of anti corruption measures</p> <p>Involvement social entities in the corruption/anti corruption field low</p> <p>Limited availability of research</p>	<p>Better ability to fulfil national reporting requirements, better ability to fulfil future reporting monitoring requirements under international conventions, agreements such as UNCAC</p>	<p>Indicator Dashboard</p> <p>Monitoring Reports</p>	<p>GI receives the necessary support from relevant state agencies and Provincial authorities</p> <p>GIRI receives strong support from research institutions and societal entities who want to strengthen their capacities to monitor corruption</p> <p>Research organisations willing to cooperate with GIRI on researching corruption and anti corruption efforts</p> <p>Sufficient capacity in partners to do quality work</p>

#	Level	Indicators	Baseline	Target	Method of verification	Assumptions
1.	<p><b>To Strengthen national capacities to comply with norms and standards provided by UNCAC</b></p> <p><b>Output 1.1 Strengthened capacity to coordinate compliance and reporting mechanisms under UNCAC</b></p> <p><b>Indicative activities</b></p> <p>1.1.1 Provide advice and a standard tool for the development and implementation of a national tool for the conduct of the UNCAC self-assessment and GAP analysis methodology</p> <p>1.1.2 Arrange working sessions with the GI and other relevant state agencies to conduct the national self-assessment and GAP analysis</p> <p>1.1.3 Provide assistance to prepare a report on the findings and recommendations of the national self-assessment exercise for sharing with the key national policy institutions to serve as input to the implementation of the National Anti-Corruption Strategy</p>	<p>Working sessions arranged</p> <p>Self-assessment report and recommendations produced</p>	<p>No mechanism to evaluate Vietnams compliance with UNCAC, and as such with international norms and standards</p>	<p>Self-assessment report and recommendations produced</p>	<p>Report of self assessment and GAP analysis produced</p> <p>Report of assessment and GAP analysis received by relevant stakeholders</p>	

#	Level	Indicators	Baseline	Target	Method of verification	Assumptions
	<p><b>Output 1.2 Strengthened capacities for international cooperation under UNCAC</b></p> <p><b>Indicative activities</b></p> <p>1.2.1 Assist the GI and other relevant state agencies to establish a cooperation mechanism to enable them to obtain knowledge on the experience and practice of other countries in compliance with the UNCAC</p> <p>1.2.2 Assist GI and other relevant state agencies to participate in international conferences to interact and share experiences with colleagues at a regional and international level</p> <p>1.2.3 Participate in cross-border research with international organisations on corruption and anti-corruption</p>	<p>Capacity of the Vietnamese Government to cooperate with other countries in practice sharing on both regional and international levels</p> <p>Number of knowledge exchanges participated in (at least one per year)</p>	<p>Currently there are few functioning mechanisms for international cooperation in the area of anti-corruption</p> <p>Exposure to international experience is limited to few government staff and rarely involving staff on provincial level and other social entities</p>	<p>Good international cooperation and information sharing of international best practices</p>	<p>Reports and presentations from and to international conferences and other knowledge exchange platforms</p>	

#	Level	Indicators	Baseline	Target	Method of verification	Assumptions
2.	<p><b>To Strengthen national capacities for monitoring and evaluating corruption and anti-corruption efforts in compliance with UNCAC</b></p> <p><b>Output 2.1</b> Strengthened national capacity for monitoring and evaluating the prevention and combating of corruption in compliance with UNCAC</p> <p><b>Indicative Activities</b></p> <p>2.1.1 Compile a national set of indicators to be used for the basis of analysis and reporting and identify gaps in the existing set of indicators</p> <p>2.1.2 Make recommendations for best use of existing system and set of indicators and recommendations for improving systems across agencies</p> <p>2.1.3 Review of indicator system (2<sup>rd</sup> year)</p>	<p>Indicator system that tracks and monitors corruption and anti-corruption levels over time identified</p> <p>Data storage source identified</p> <p>Indicator system reviewed (after 24 months)</p>	<p>Currently systems for monitoring corruption levels are not strategic, systematic and in compliance with UNCAC's standards and norms</p> <p>A nationally owned multidisciplinary indicator system is not in place</p>	<p>Capacity building activities conducted and supporting tools developed</p> <p>Recommendations for best use of indicators in present system made</p> <p>Indicator system identified</p> <p>Software in place that can manage national system of M&amp;E for corruption and anti-corruption</p>	<p>Review reports by technical advisors</p> <p>Indicator Dashboard</p>	
	<p><b>Output 2.2 Monitoring and data collection</b></p> <p><b>Indicative Activities</b></p> <p>2.2.1 Map and review existing systems and capacities of monitoring, data collection analysis and reporting including review of cost for data collection (review to be done on central level and to include five pilot provinces)</p>	<p>Capacity building activities conducted and supporting tools developed</p>	<p>Capacity to compile and synthesise reports, to analyse and assess corruption trends is low</p>	<p>Existing systems and capacities of data collection analysis, reporting reviewed</p>	<p>New reporting formats</p>	

#	Level	Indicators	Baseline	Target	Method of verification	Assumptions
	<p><b>Output 2.3 Improved cross-agency system developed for data collection, monitoring, evaluation and reporting</b></p> <p><b>Indicative Activities</b></p>					
2.3.1	Building on the mapping and review conducted under Output 2.2, develop a comprehensive system for monitoring and evaluating corruption and anti-corruption in Vietnam by systematizing information gathering and reporting, and harmonising reporting formats across central agencies, provincial and local government institutions	<p>Reporting formats harmonised</p> <p>Set procedure for gathering of information and compiling of reports in place</p> <p>Reports produced based on new indicator system and systematised procedure (after 24 months)</p>	<p>Reporting formats are not harmonised and report compilation does not follow a set procedure</p> <p>No comprehensive system of M&amp;E in place</p>	<p>Higher quality reports produced regularly, based on national indicator system</p> <p>National system of M&amp;E for corruption and anti-corruption established</p>	Analytical reports produced	
2.3.2	Consult with the other agencies tasked with data collection and monitoring to agree on responsibilities and arrangements for collection and reporting of data					
2.3.3	Based on capacity review (2.1.1) develop capacity building activities and tools for data collection, monitoring and evaluation for national level agencies and with the 5 provinces supported under POSCIS					
2.3.4	Pilot new indicator system and reporting mechanism					



#	Level	Indicators	Baseline	Target	Method of verification	Assumptions
	<b>Output 2.4 Strengthened capacity in GIRI for analysis and reporting</b> Indicative activities					
	2.4.1 Assist GIRI to develop models of analysis based on key indicators to aid research and reporting on corruption and anti-corruption					
	2.4.2 Arrange training workshops in data analysis and report writing	Quality publications on corruption and anti corruption (at least one report after 12 months)	Limited capacity and research produced by research institutions and GIRI linking to corruption measurement and analysis	Researchers trained	Research papers/publications	
	2.4.3 Assist regular reporting on the state of corruption and anti-corruption in Vietnam			GIRI Research Publication Series established	Training workshop reports	
	2.4.4 Undertake annual revisions of format to review changes in the indicators available and add new indicators to core system					
	2.4.5 Provide follow up technical assistance and peer review in monitoring and evaluation on corruption and anti-corruption					

#	Level	Indicators	Baseline	Target	Method of verification	Assumptions
3.	<p><b>To strengthen partnership and public involvement in the monitoring and evaluation of corruption and anti-corruption in Vietnam</b></p> <p><b>Output 3.1</b> Strategic and evidence-based high quality research produced following internationally accepted research methodologies and following participatory approach</p> <p><b>Indicative Activities</b></p> <p>3.1.1 Provide training and mentoring to produce high quality and factual research on key areas of corruption in Vietnam</p> <p>3.1.2 Establish series of GIRI research publications on corruption in collaboration with other research institutes</p> <p>3.1.3 Organise public semi annual seminars to present findings on corruption produced by research to a wider audience</p> <p>3.1.4 Participate in cross-border research with international organisations on corruption and anti-corruption</p>	<p>Number of productive partnerships established between GIRI and research institutions</p> <p>Seminars organised (at least two after 16 months)</p>	<p>Partnerships with social entities and GIRI not well formed</p>	<p>Agreements of research cooperation established</p>	<p>Research papers/publications</p> <p>Seminar outcome documents</p>	
	<p><b>Output 3.2 Access of the public and mass media to research results and information on corruption improved</b></p> <p>Indicative activities</p> <p>3.2.1 Develop and implement communication strategy for research series and information sharing with relevant stakeholders including the wider public on anti-corruption data, analysis, and reporting generated by GI and other state institutions</p>	<p>Communication strategy developed after 12months Communication strategy implemented</p> <p>Research available to public</p>	<p>Available research is not shared with the wider public</p> <p>Limited participation of the public in the field of anti corruption</p>	<p>implementation of communication strategy</p> <p>Stronger participation of the public in monitoring and analysis of corruption and anti-corruption measures</p>	<p>Communication strategy</p> <p>Availability of research</p>	