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PROGRAMME PLANNING

Country and intercountry programmes and projects

FOURTH COUNTRY PROGRAMME OF THE GOVERNMENT OF VIET NAM

Note by the Administrator

I. PROCESS OF THE PROGRAMMING EXERCISE

1. The programming exercise was initiated by the Government in October 1984 as an integral part of the preparation of its development strategy for the plan period 1986-1990. The sectoral ministries were invited to make proposals for inclusion in the programme, and these were screened by the Government (a co-ordinated effort involving five central policy and planning bodies) to arrive at a first list of priority projects.

2. The criteria used included relevance and priority of the project proposals in relation to the objectives selected by the Government for UNDP technical co-operation and to the thematic emphasis for the use of UNDP resources, particularly the transfer of science and technology and training. A final group of criteria concerned the absorptive capacity of the potential Government implementing agencies, particularly managerial and technical competence, infrastructure, budgetary allocations and the results of previous projects supported by external agencies.

3. During the second quarter of 1985 an assessment of the results of the first and second country programmes was conducted by the Government, UNDP and various executing agencies. In the course of this joint review of the impact of UNDP assistance since 1976-1977, the Government stressed the congruity between the two development plans and the two country programmes, illustrating the manner in which UNDP was able to respond to the changing economic policies and experiences of the country, adjusting the size and nature of projects to reflect the economic policy of decentralization and improved management of development activities. The impact of completed and operational projects was considered generally positive especially in agriculture, rehabilitation of industries and natural resources surveys and analysis. As described in the country programme
document, this was a particularly thorough and frank process. All the constraining factors were discussed in the course of the assessment exercise, and steps have already been taken to solve many of the identified problems, for example, by analysing more realistically the absorptive capacity of institutions, ensuring the allocation of adequate budgets for construction, and providing language training to fellowship candidates well in advance of their departure.

4. After the Government had established the overall and sectoral objectives of the next plan, UNDP-financed sectoral programming missions were invited from the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Industrial Development Organization (UNIDO) to cover the two priority sectors, agriculture and industry; the missions were undertaken in May and June 1985 respectively with the participation of technical officers from UNDP headquarters.

5. Based on the results of the assessment and the sectoral studies, the Resident Representative prepared a note to the Government outlining UNDP's ideas on the possible orientation and content of the third programme including proposed areas of concentration, criteria that might be used for the selection of projects and the modalities that could be pursued in order to achieve greater programme effectiveness. In June 1985 two senior government officials directly concerned with the exercise visited UNDP headquarters for consultations on the overall orientation of the country programme. Field-level contributions were made by a number of United Nations agencies, including the United Nations Centre for Human Settlement (UNCHS), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Intellectual Property Organization (WIPO), and the United Nations Department of Technical Co-operation for Development (UNDTCD). The latter provided in July 1985 the services of a senior specialist in development economics to assist the Government in reviewing the sectoral balance and composition of the programme and in drafting the document.

II. THE THIRD COUNTRY PROGRAMME

6. The synthesis achieved as a result of the programming process is based on technology transfer and human resources development as twin pillars in designing projects to assist the Government in achieving the five objectives selected for UNDP assistance, namely increasing food production; meeting other basic needs in clothing, medicines, housing and urban waste disposal services; assessing and exploiting of natural resources; improving the efficiency of industrial and other investments and developing foreign trade. These objectives reflect closely the constraining factors identified in the Resident Representative's note and at the same time are priority areas in the Government's strategy to remove these constraints. UNDP is fully satisfied therefore that the programme represents an important element in the Government's strategy and an effective allocation of UNDP resources to priority areas of development.
7. An important feature of the programme is its focus on the improved utilization of existing investments and the transfer of technology appropriate and necessary to prepare the way for planned future investments. The programme is based on the assumption that, to the extent feasible, these efforts will be linked to investment sources, as was done for three projects in the second country programme.

8. Noteworthy also is the strong and direct link of the many projects with institution-building elements, particularly research-oriented projects, to production activities in order to ensure that research is relevant and that it will have an impact on the practical requirements of society.

9. The Government has become increasingly concerned with the environmental aspects of development and, while this is not a primary objective of UNDP assistance, the focus in several important projects is to ensure that these aspects are fully integrated in the development process either directly (as in urban waste disposal and factory and mine workers health), or in an indirect manner are linked to specific production activities (reafforestation and wood utilization, water management and plant protection).

10. In view of the strong emphasis on and links with production activities in the programme, the Government and the UNDP office examined carefully proposed activities in the light of UNDP's terms of reference as an organization providing technical assistance. In particular the role of pilot plants was reviewed extensively. In this context also the role of the equipment component in the programme was discussed. After consultations with the Government, the Administrator has received assurances that the equipment component is not expected to exceed 50 per cent of overall programme resources in this programme, compared to 75 per cent in the first programme and 52 per cent in the second. The continuing emphasis on equipment requirements reflects the need to rehabilitate and modernize development institutions to provide for the introduction of adequate technology to Viet Nam. To facilitate the implementation of the agreed principles on the supply of equipment, appropriate training programmes for national project directors have been started, including adequate policy guidance from UNDP. In deciding on the equipment component of individual projects particular care will be taken in assessing whether the necessary infrastructure is available, whether the required maintenance and servicing facilities can be provided and whether personnel is available or will be trained during the lifetime of the project to manage and operate the equipment.

11. Since specific project proposals have already been identified in all sectors, there is no programmed reserve. In order to provide some flexibility in the programme and to be able to face unforeseen contingencies, the Government has decided to allocate 7 per cent of the total Indicative Planning Figure (IPF) to the unprogrammed reserve.

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III. MANAGEMENT OF THE COUNTRY PROGRAMME

12. To date the programme has been reviewed at Hanoi every six months since the first review in March 1981 and this mechanism will continue into the next programme. UNDP headquarters is usually represented at the second, more comprehensive of the two semi-annual reviews. In addition an in-depth review will take place towards the end of 1988. Tripartite reviews with good levels of participation are held at least as frequently as required by UNDP instructions and several additional management mechanisms have been created to meet the needs of particular projects. Eight project evaluations have been implemented in 1985 and a similar number is planned for 1986 and 1987. The Government is fully and independently represented on such missions. Project equipment is inventoried annually and regular project visits are used to monitor the utilization of and operating conditions for equipment. The strengthening of the UNDP office at Hanoi (currently seven international Professional staff) has also facilitated more frequent field visits. The semi-annual review meetings will also serve to consider the use of the unprogrammed reserve (see para. 11) in the new country programme, with the projects subsequently formulated to be appraised in the normal way.

13. The overall delay in the implementation of the second country programme is of serious concern to the Government, and continuous consultations at a senior level have taken place to accelerate implementation, particularly project formulation, while at the same time maintaining the standards required in terms of project quality. The country programming exercise, particularly the assessment, has focused on this issue and has led to the identification of specific measures to improve implementation during the next country programme period including training courses for Government officials in project formulation and management, better planning of programme development and resource utilization through joint efforts, the establishment of task forces for project formulation with continuous Government participation and management and more systematic joint monitoring of project performance to assure high quality results.

IV. RECOMMENDATION OF THE ADMINISTRATOR

14. The Administrator recommends that the Governing Council approve the country programme for Viet Nam.