

SIMPLIFICATION OF

THE PROCESS AND PROCEDURES IN LAND ACCESS AND DEVELOPMENT PERMITS IN VIETNAM



An Administrative Toolkit for Provinces

Investment Climate Advisory Services | World Bank Group



**International
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An Administrative Toolkit for Provinces

Hanoi, May 2011

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FOREWORD

Experience shows that investors must go through dozens of different procedures to obtain various types of official permits such as investment certificates, land use rights certificates and construction permits for business start-up, operation and expansion phases. The number of these certificates and permits increases with the pace of investment growth and business expansion. Therefore, a transparent, equitable and predictable administrative process and procedures for land access and development permits is critical to promote business growth and develop national and local economies.

Perhaps that is also a key reason why many institutions have developed land-related indexes to assess the business climate. For example, “Dealing with Construction Permit” is one of the 10 indicators used by the World Bank Group to rank economies on the ease of doing business and the “Land Access and Security of Tenure” is one of the sub-indexes of the PCI used by the VCCI and USAID/VNCI to rank the competitiveness of provinces in Vietnam on their economic governance for private sector development.

The Vietnamese government has made big efforts to improve the business environment and has achieved encouraging results. Nevertheless, the process and procedures for land access and development permits remains complex and time consuming, and in many cases still takes months and even years to complete. Simplification of these continues to be one of the top priorities of the government’s reform agenda at central and local levels. In this context, IFC has cooperated with CIEM and VCCI to publish this toolkit, *“Simplification of the Process and Procedures in Land Access and Development Permits in Vietnam”* with the objective of providing best practice references to provinces in their administrative process and procedure reform efforts for a better business climate.

This toolkit is a collection of international and Vietnamese best practices identified during the many years of IFC, CIEM and VCCI providing advisory services to provinces in Vietnam to improve their investment climates. The toolkit introduces five tools for analysis and nine tools for administrative reform relating to land access and development permits.

I expect this toolkit to be a useful and practical reference point for provinces to improve their competitiveness and business environments and allow ministries and other central government agencies to fine-tune the underlying legal framework. Consultants, researchers and students may also find useful information in this toolkit for consulting work and studies.

Hanoi, 16 May, 2011

A handwritten signature in black ink, appearing to read 'Nguyen Dinh Cung', with a stylized flourish at the end.

Nguyen Dinh Cung, Ph.D

Vice President

Central Institute for Economic Management



INTRODUCTION

In recent years, the Vietnamese government has made strong efforts to improve the overall business environment and simplify procedures related to land access and development to meet the needs of citizens and businesses. Various gaps in the existing legislative system have been reviewed and addressed, in particular under the framework of the Government's Project 30 on administrative procedure simplification. Nevertheless, given the complex nature of this area, not only investors but also local authorities have found themselves in a predicament when undertaking the administrative process for land access and development permits.

To complete the process, investors must still go through dozens of different procedures, obtain numerous types of certificates, permits and decisions, and work with People's Committees, multiple government departments and agencies at local and national levels. Faced with these problems, many provinces have taken the initiative in harmonizing requirements and procedures related to land access and development permits and made it easier for investors to execute the procedures within the existing legal framework. These initiatives include the process re-engineering and adoption of the one-stop shop mechanism among related authorities described herein, which are important parts of this toolkit.

The ongoing competition between provinces in the reform process to increase transparency, simplicity and efficiency in the administrative process for land access and development permits is positive impetus for local

This administrative toolkit is a collection of steps that can be taken by localities to analyze their own administrative performance and improve their performance by implementation of "best practice" ideas taken from international and Vietnamese experiences.

economic development. Therefore, learning about and implementing administrative reforms is an essential and practical need that will help cut costs for society. Taking this as a starting point IFC, in collaboration with CIEM, has developed and released **"Simplification of the Process and Procedures in Land Access and Development Permits in Vietnam: An Administrative Toolkit for Provinces"**.

The aim of this toolkit is to help provinces learn from exemplary administrative reform models and best practices relating to land access and development permits. The toolkit is intended to help local governments learn from best practices at a low cost and avoid errors in implementing their own administrative reforms. In this regard, VCCI has provided invaluable input regarding business environment reform provincial best practices identified through the development and dissemination of the PCI and significant efforts in promoting the application of best practices to improve the provincial business environment.

On the basis of local experimentation encouraged by this toolkit, national decision makers may obtain evidence to consider amendments to related regulations to provide for more efficient administrative procedures.

The approaches and processes being adopted in a number of provinces such as Ba Ria-Vung Tau, Bac Ninh, Binh Dinh, Dong Nai, Hai Duong, Ninh Thuan, Quang Ninh, Thai Nguyen and Thua Thien-Hue are described in this book for reference purposes and are not meant as the “final word” on best practices. While these examples are useful and in many ways innovative, there may be even better models being developed in Vietnam today which we are not yet able to fully account for. Perhaps one beneficial result of the work reflected in this toolkit will be to encourage localities to seek and share more information on the topics covered herein.

Moreover, in any reform effort, changes in the process only contribute to part of the success. The other part, which is the vital part, is contributed by the people that make the process work. Some processes may look very accommodating at first, but are not appreciated by investors because of the unprofessional manner and attitude of the staff receiving and processing applications. To account for that, apart from the reference models, the toolkit also introduces customer care standards, monitoring and evaluation tools designed for assessing the performance of the whole process and the people that keep the process running.

The toolkit has the following main parts:

- Part 1. Overview of the process and procedures in land access and development permits:** A discussion detailing the current picture and recent changes to procedures relating to investment, land and construction.
- Part 2. Tools of analysis:** A discussion focusing on the basic analytical tools localities can use to analyze their own situation and plan for administrative improvements.
- Part 3. Tools for administrative reform:** A discussion of selected sample approaches to one-stop shop and a coordinated process in land access and development permits at provincial level, with examples from domestic and international best practices.

ABBREVIATIONS

DoC	Department of Construction
DoET	Department of Education and Training
DoF	Department of Finance
DoH	Department of Health
DoLISA	Department of Labor, Invalids and Social Affairs
DoNRE	Department of Natural Resources and Environment
DPI	Department of Planning and Investment
EDO	Economic Development Office
EIA	Environment impact assessment
EPZ	Export processing zone
EZ	Economic zone
GIS	Geographic information system
IZ	Industrial zone
LURC	Land use rights certificate
OSS	One-stop shop
PC	People's Committee
PTS	Permit tracking system



PART 1

OVERVIEW OF THE PROCESS AND PROCEDURES IN LAND ACCESS AND DEVELOPMENT PERMITS

1 Background

In Vietnam, businesses may acquire land directly from the state and its agents, which include provincial and local governments, inside and outside industrial zones (IZs), economic zones (EZs) and export processing zones (EPZs), in the form of an allocated right of land use and a lease. Acquiring land outside the zoned areas often requires site clearance.

1.1 Access to land in IZs, EZs and EPZs

Investors acquiring land inside IZs, EZs and EPZs do not often go through such complex procedures as acceptance in principle of the investment, evaluation and approval of detailed construction plans and land allocation, etc. The management board of an IZ, EZ and EPZ is typically the single contact point from which investors may seek information and help in fulfilling procedural requirements and monitoring the status of applications. This saves significant time to undertake the required administrative process. Depending on its designated role and authority, the management board may itself grant several types of certificates, permits and licenses, and point investors in the direction of the relevant authorities for other licenses that it cannot issue itself. Furthermore, investors also have access to “cleared” land, i.e. site clearance has been completed and infrastructure is ready for use.

While procedures to access land in designated zones are rather straightforward, land rental in these compounds is high. They are often only suitable for large domestic and foreign companies. To cover small enterprises and household businesses, many

provinces have developed industrial clusters. An industrial cluster¹ is a designated zone used for small industry and handicraft development and its establishment is decided upon by the provincial People's Committee (PC). In principle, land in industrial clusters should also be cleared and readily available for use. But in practice, many investors must undertake site clearance, a difficult process because it results in relocating people from their land and homes.

1.2 Access to land outside IZs, EZs and EPZs

Compared to accessing land in IZs, EZs and EPZs, investors acquiring land outside these zones often go through more procedures, particularly the site clearance process, which may delay or prolong project implementation. Added to that, it will usually cost investors more time to travel back and forth among relevant authorities to complete the procedures. For example, investors have to deal with government authorities in charge of investment to undertake investment-related procedures, those in charge of land and environment and district/commune PCs for land and environment-related procedures, those in charge of construction for construction-related procedures and those in charge of specialized construction works for special purpose projects.



IZ plan in Bac Ninh Province. Photo provided by Bac Ninh Province's Department of Construction.

¹ Under Decision No.105/2009/QĐ-TTg dated August 19, 2009, of the Prime Minister promulgating the regulations on management of industrial clusters.

BOX 1 Some Common Procedures for Business Access to Land outside IZs, EZs and EPZs

Investment-related procedures

- **Acceptance in principle of the investment and site introduction.** The purpose is to get the relevant state agency's (normally provincial PCs) acceptance to have the investment project initiated at a site chosen by the investor or one recommended by the authorities. The acceptance is in writing and gives the investor the greenlight to conduct a detailed site survey, develop a comprehensive project document and undertake other procedures.
- **Investment registration or evaluation for Investment Certificate.** The purpose is to get the relevant state agency's (currently provincial PCs) certification that an investment project has been registered and confirmation of incentives available for the project. The Investment Certificate is also the business registration certificate for foreign investors investing in Vietnam for the first time.

Land and environment-related procedures

- **Evaluation and approval of Environment Impact Assessment (EIA).** The purpose is to obtain the relevant state agency's, currently provincial PCs or Departments of Natural Resources and Environment (DoNRE), evaluation of proposed environmental protection solutions for investment projects at location(s) approved by the provincial PCs. This procedure is applicable to investors with projects listed in the "List of projects subject to environmental impact assessment" (issued as an Attachment to Decree No. 21/2008/ND-CP, dated February 28, 2008 of the Government).
- **Acceptance of the environment protection commitment.** The purpose is to obtain the relevant state agency's (currently district PCs or authorized commune PCs) acceptance of the investor's commitment to comply with prevailing environmental protection and natural resources preservation requirements. This procedure is applicable to investors with projects not subject to EIA.
- **Land recovery, land allocation/lease and conversion of land use purpose.** The purpose is for an investor to receive from the relevant state agency (currently provincial PCs) an official allocation of land or a land lease or conversion of land use purpose to proceed with the approved project.
- **Land use rights certificate (LURC).** The purpose is for an investor to obtain the relevant state agency's (currently provincial PCs) acknowledgment of full user rights for the piece of land in line with the approved purposes.

Construction-related procedures

- **Provision of planning information.** The purpose is for the relevant state agency (currently Department of Constructions (DoC), Departments of Planning and Architecture or technical divisions of district PCs) to provide investors with information related to land use, regulations concerning infrastructure systems, architectural design, safety, fire and explosion controls, environmental protection and other requirements. The information will help the investor prepare and implement the project in accordance with the approved zoning plan.
- **Planning license.** The purpose is to obtain a license from the relevant state agency (currently provincial PCs or district PCs depending on decentralization) to conduct urban planning, develop a construction project proposal and carry out construction. A planning license is valid for no longer than 24 months, depending on the type of the construction work and the investor must obtain approval of the detailed construction plan before the license expires.
- **Evaluation and approval of detailed construction planning tasks and blueprints.** The purpose is to obtain the relevant state agency's (currently provincial PCs, DoCs or district PCs subject to decentralization and authorization) evaluation and approval of the detailed construction planning tasks and blueprints, which define target demographics, social and technical infrastructure, space organization and architecture of the entire planned area, distribution of social infrastructure relevant to the need of users, land use targets and architectural requirements for each land plot, placement of infrastructure networks and the boundaries of the land plot.



- **Consultation on the basic design (categories B and C)².** The purpose is to seek comments from relevant state agencies (currently DoCs or departments in charge of specialized works depending on each project³) on the project's design which is completed during the preparation of the project proposal based on consideration of the relevance of the basic design against available zoning plans, linkage of infrastructure systems, application of norms, standards and any compulsory requirements related to the project. This will lay the groundwork for the next design steps.
- **Construction permit:** The purpose is to get permission from the relevant state agency (currently DoCs or district PCs depending on decentralization) to start construction work in line with the approved construction design and detailed construction plan at the location allocated or leased by the state.

2 Under Item 6, Article 10, Decree No.12/2009/ND-CP dated February 12, 2009 by the Government on state management of construction projects, relevant state agencies to give comments on a basic design include:

- a) Relevant ministries in charge of specialized works for projects of national significance and category A.
- b) Relevant provincial line departments in charge of specialized works for projects of categories B and C.

3 That is:

- Departments of Industry and Trade for mining, petroleum, power plant, power transmission grid, transformer station, chemical, industrial explosive, machinery engineering, metallurgy and other specialized industrial projects, except construction materials projects.
- Departments of Agriculture and Rural Development for irrigation, embankments and other specialized agricultural projects.
- Departments of Transport for transportation projects.
- DoCs for construction projects in civil works, construction materials, urban infrastructure and other construction projects requested by provincial PC Chairpersons.
- If projects integrate multiple types of structures, the lead department shall be one of the above-mentioned departments responsible for management of the structure critical to the project.

2 Some Current Issues in the Procedures Related to Business Access to Land

Experience and recent studies have indicated that inefficiencies exist in administrative procedures for business access to land. As a consequence, in many cases the expenditure of time and resources to complete the procedures discourages investors and lets some business opportunities slip. Current complaints regarding investment procedures include:

First, the procedural workflow is too complicated and too many agencies are involved in the process.

Depending on the requirements for different procedures or combination of procedures, the involvement (admission, feedback and approval) of different agencies from different levels, from the central government to ministries, provincial PCs, line departments and district/commune PCs may be needed. In many cases, the investor has to directly contact these agencies to get their acceptance, comments and approval in different forms as required by the administering agency or governing legislation. In certain cases, the investor may have to directly contact different units/divisions of the same agency to get further information, guidance and an explanation on the application it has lodged or to receive the outcomes. In other words, the investor often has to pay multiple visits to different agencies or different units within an agency to undertake various procedures.

Second, overlaps exist in information declaration and application requirements between different authorities.

Investors often have to prepare more application documents than are actually needed to meet administering authorities' requirements. Investors are often ready to meet in full the government agencies' requirements so their applications are not returned and outcomes are received as soon as possible. However, this approach is unlikely to promote much needed information sharing among related authorities and may leave room for unorthodox demands from public service employees. Sharing information between related government agencies will create a good practice conducive to the monitoring and auditing of investment projects by relevant authorities.

For example, Figure 1 in a "process map" for a specific locality briefly describes the key steps in each procedural sequence, estimates handling times and identifies the person in charge (either the applicant, which is represented by orange boxes, or the administering agency, represented by blue boxes). The overall workflow in this locality indicates a

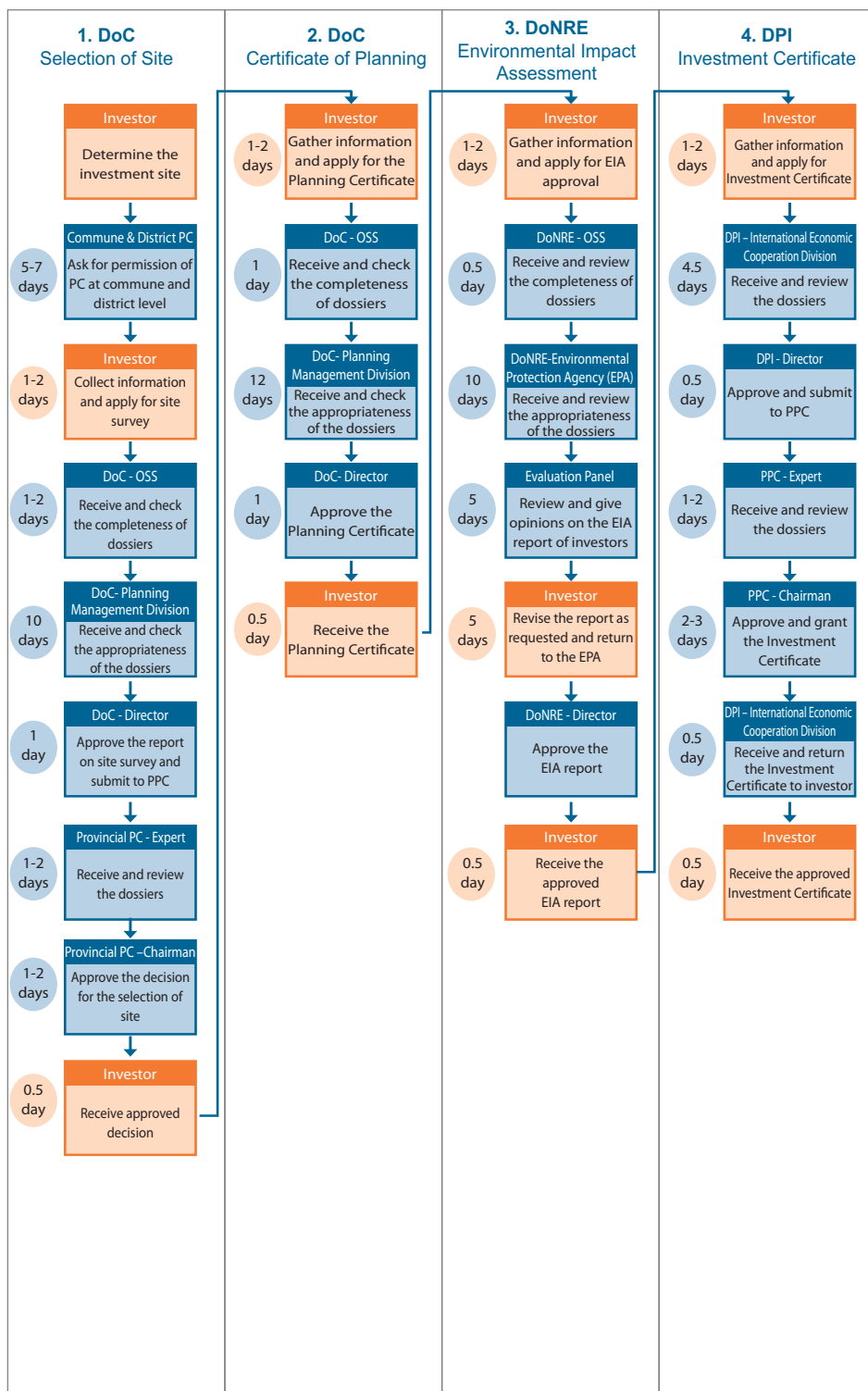
complicated process in which investors will need to cover eight required “umbrella” or “mother” procedural sequences and several “child” sub-procedural ones to get all the decisions and permits from relevant authorities prior to starting a project.

In this example, to undertake the site introduction (selection) procedure at the DoC (Column 1, Figure 1), the investor needs to be endorsed by each related department and local government at the district and commune levels prior to filing an application for site introduction with the DoC (the responsible agency for this procedure). This is essentially a “child” procedure. As a consequence, the investor needs to accommodate the different requirements of all authorities, resulting in a longer process than necessary.

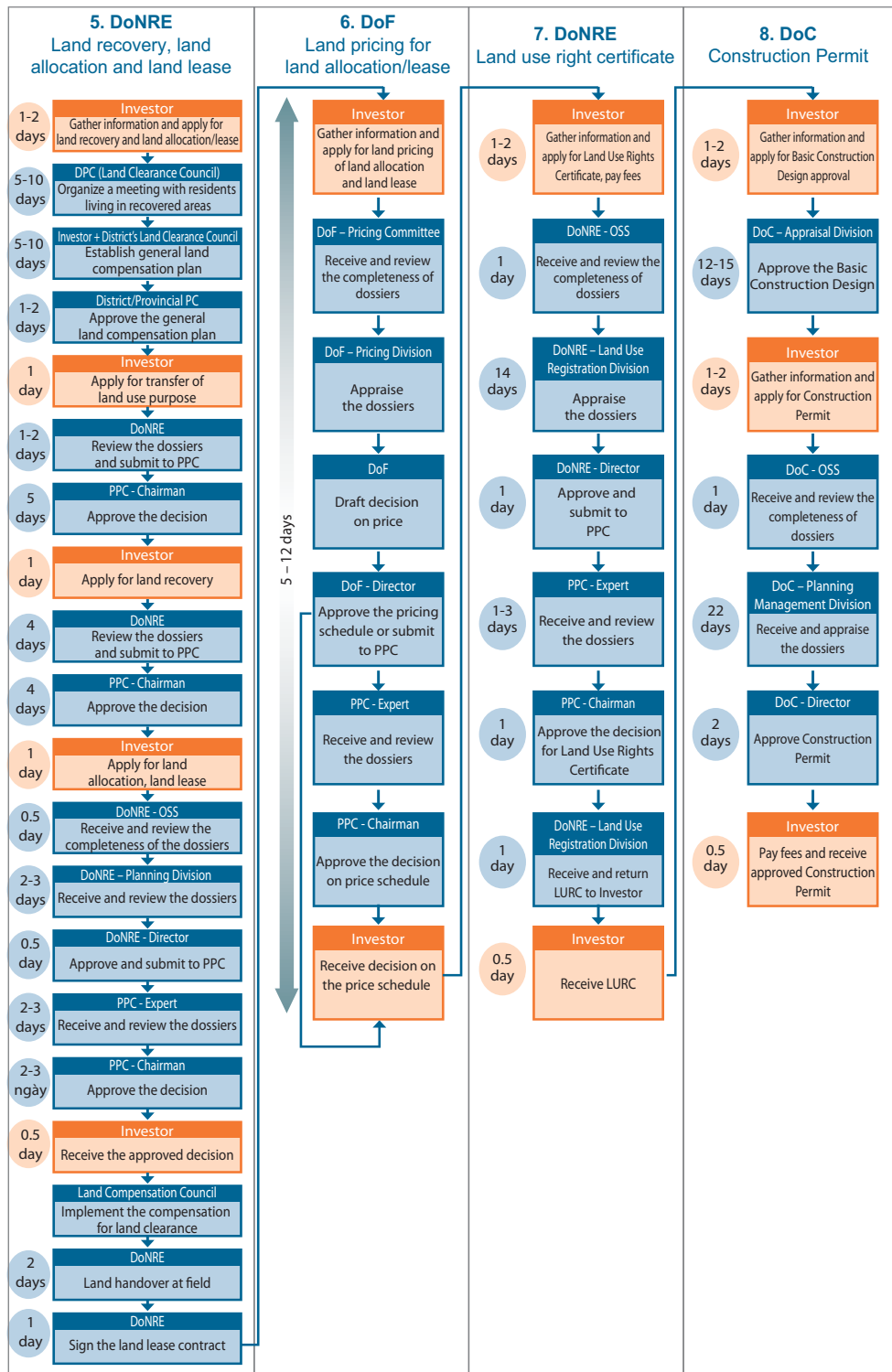
The inefficiencies are: (i) the investor is requested to contact the responsible agency to understand the requirements for endorsement from related authorities – which authorities and which types of endorsement, (ii) the investor is requested to work with each and every related authority to receive the appropriate endorsement that the responsible agency needs and (iii) the investor is doing the job of the authorities (e.g. consulting related authorities). These inefficiencies exist mainly because of the lack of coordination and information sharing among related authorities.

The overall workflow also shows the next procedure in which the investor obtains planning information (planning certificate), which also takes place at the DoC. Technically, this procedure can be undertaken together with the site introduction so the investor need not make repeat visits to the same agency.

FIGURE 1 Overall Workflow for Business Access to Land in a Locality



Source: IFC/MCG diagnostic survey, 2008



Third, there are inconsistencies and even conflict as to when the procedure starts.

Evidence reveals that government agencies and businesses are confused about the sequence and identifying of related procedures. Related legislation poorly defines when a procedure should start in the whole investment project process, as well as the sequence and order of related procedures in the entire process.

Fourth, dispersion, cascading, overlaps and conflict still exist in the regulatory system.

Business access to land procedures is prescribed in five main legal systems on investment, construction, planning, land and environment. This legislation system includes laws (Land Law, Investment Law, Construction Law, Urban Planning Law and Environmental Protection Law), implementing normative legislation issued by relevant central government agencies (decrees and circulars, etc) and those issued by sub-national authorities (decisions and guidelines, etc). Compliance is not always easy given the incompatibility issues and other factors. Dispersion, cascading, overlaps and conflict between related guidelines on a same issue are problematic and need to be addressed.

BOX 2 Inconsistencies Exist in Regulatory Systems

The main causes of the current issues with administrative procedures for business access to land are inconsistent laws and regulations, leading to varied interpretation and practices among localities. The problem of identifying *the lead agency* in the site introduction procedure is a case in point, with different laws providing different guidance:

- Based on the Urban Planning Law, the focal point agency is the urban planning management agency⁴.
- Based on the Land Law, the focal point agency is the one receiving applications for land allocation and lease⁵.

4 Article 70 of the Urban Planning Law No.30/2009/QH-12 dated June 17, 2009: “urban planning management agencies shall introduce construction investment sites to investors upon request”.

5 Clause 3, Article 122 of the Land Law: “Within a time-limit of 30 working days from the date of receipt of a complete and valid file, the body receiving the file shall be responsible for completing the *introduction of the location* [of the land]; making an extract of the cadastral map or of the cadastral measurements of the area of land to be allocated or leased; determining the rate of land use fees or land rent; performing procedures for land allocation or lease of land, issuing a certificate of land use rights in accordance with the applicable regulations and delivering a decision on land allocation or lease of land to the person being allocated or leased land”.

- Based on Decree No.69/2009/ND-CP, the focal point agency is the one receiving applications for investment⁶.

Based on the national procedure inventory database (www.thutuchanhchinh.vn), this procedure is handled by DPLs in 12 provinces, by DoNREs in seven provinces, by DoCs in 22 provinces and by either DPLs or DoCs in a few provinces.

The lack of clarity in the regulatory system has led to discrepancies in the interpretation and allocation of responsibility among provinces. Moreover, this nationwide procedure is not consistently regulated as an administrative procedure, which results in provinces issuing different implementing guidelines and requirements.

In addition to the varied focal point agency and poorly defined roles among provinces, there may be many different agencies associated with an investment project, which may result in a longer processing time than outlined in the predefined timeline since the lead agency must consult related agencies to recommend a project site. As the processing time is lengthened, government agencies need more time to monitor and find solutions, while businesses must wait to see whether their projects are introduced to the right locations.

Another example is *the timing of the EIA procedure*. This procedure is inconsistently provided for in the laws on environment, construction and investment in terms of when it should take place, leading to implementation differences between provinces. The laws suggest different interpretations:

- Pursuant to the Environmental Protection Law, the EIA must be prepared in sync with the project feasibility study and approved prior to the investment licensing and granting of construction permits⁷.

6 Clause 1, Article 29 of Decree No.69/2009/ND-CP: “The investor or the body assigned with preparing an investment project submits the documentation at *the local body receiving investment documentation*. The body receiving the documentation shall be responsible for obtaining opinions from bodies relating to the investment project for consideration and *introduction of a location* according to their power, or submit to the provincial people’s committee for consideration and introduction of a location”.

7 Clause 2, Article 19 of the Environmental Protection Law: “The environmental impact assessment report must be prepared concurrently with the project feasibility study”. Clause 4, Article 22 of the Environmental Protection Law: “The projects stipulated in Article 18 of this Law may be approved and issued with an investment license, construction permit or operational permit only after approval of the environmental impact assessment report”.

- Pursuant to Decree No.21/2008/ND-CP guiding the implementation of several articles of the Environmental Protection Law, the EIA need not to be filed prior to the investment licensing, but only before the construction permit is granted⁸.
- There is no reference in the investment, land and construction regulations about the need to conduct the EIA prior to the granting of Investment Certificates, land allocation/lease decisions and construction permits⁹.

If the investor is required to undertake the EIA procedure prior to other complex procedures such as land-related procedures, there is a good chance that more costs will be incurred to produce an updated EIA after the land-related procedures have been completed since it may take several years to complete land-related procedures if problems with compensation and site clearance arise. By that time, the initially proposed technology in the project may have changed, causing environmental solutions to change to keep up with new technologies or changes in the project scale. Revisions or supplements to the EIA will consume more resources and time not only of the government agency, but also of the investor. If the investor fails to amend the EIA, any environmental protection commitment made by the investor in the approved EIA will only have face value and the project, if actually put in operation, will likely cause substantial environmental damage.

8 Clause 2, Section 5, Article 1 of Decree No.21/2008/ND-CP: “The time for submitting an environmental impact assessment report to be appraised and approved shall be regulated as follows:

- a) The owner of an investment project for exploitation of minerals shall submit an environmental impact assessment report for appraisal and approval before application for issuance of a mineral exploitation license.
- b) The owner of an investment project for construction works or items of construction works shall submit an environmental impact assessment report for appraisal and approval before application for issuance of a construction permit, except for the projects stipulated in paragraph (a) of this clause.
- c) Owners of investment projects not covered by paragraphs (a) and (b) of this clause shall submit an environmental impact assessment report for appraisal and approval before commencement of their project”.

9 Articles 43 to 47 of Decree No.108/2006/ND-CP stipulates application dossiers for investment licensing, but there is no reference to EIA approval.

Clause 2, Article 125 of Decree No.181/2004/ND-CP on implementing the Land Law and Article 28 of Circular No.14/2009/TT-BTNMT providing details on compensation, assistance and resettlement and procedures of land recovery, allocation and lease stipulates application dossiers for land allocation and lease, but there is no reference to EIA approval.

Article 20 of Decree No.12/2009/ND-CP on management of investment projects for construction works stipulates application dossiers for construction permits, but there is no reference to EIA approval.

Finally, understaffing in terms of the number and quality of staff in administrative procedure units of relevant government agencies remains an issue to be addressed. In many provinces, OSS units lack competent personnel due to unreasonable and rigid personnel cost-cutting efforts, resulting in heavy workloads and delays in processing applications.

3 Recent Public Administration Reforms in Business Access to Land

In the past few years, central and local governments have made extensive efforts to address gaps and challenges faced by businesses in undertaking business access to land procedures.

The Government's Project 30 on simplifying public administrative procedures in various state management areas during 2007-2010 has made significant progress in reviewing the administrative regulations to address obstacles encountered by businesses and citizens. This project commenced on January 1, 2007. So far, it has completed an inventory of public administrative procedures at all government levels, provided open access to a national database of more than 5,700 public administrative procedures at <http://www.thutuchanhchinh.vn>, reviewed all procedures based on the criteria of legality, necessity and reasonableness and approved simplification resolutions. It has now moved on to the resolution implementation stage.

On June 2, 2010, the Prime Minister signed Resolution No.25/NQ-CP on simplifying 258 public administrative procedures of priority to create better conditions for business operation and growth. These procedures are related to areas of urgent demand by businesses and citizens such as tax and customs, notary issues, health care, investment, construction and environment. The resolution urges the simplification of certain regulations by making the administrative process transparent, reducing the number of application dossiers and clarifying the procedural sequences.

Under Resolution 25, the simplification plan for business access to land procedures includes:

- Regarding Investment Certificates, clear definitions will be given with regard to the authority, mandates and responsibility of the agencies involved in the procedures, the lead agency for the Investment Certificate, consulted agencies that provide feedback to consulting queries and the decision-making authority, the principle of "silence is consent" will also be defined.

In addition, the composition of the Investment Certificate application will clearly define what papers are required and who is responsible for certifying and verifying

the papers, forms (e.g. financial capability reports), simplification (e.g. removal of the requirement for joint venture agreements), how many application packages and new regulations to allow equal validity of documents certified by corporate and public notaries.

- Regarding EIA approval, the composition and number of documents in the EIA application will be reduced by clarifying that the requirements on investment reports, economic-technical reports or project proposal or equivalent documents as part of the EIA approval application will be the same as “those developed by the investor in the process of applying for the investment approval”, thereby saving applicants time and effort in preparing different sets of documents.

In addition, for the environmental protection commitment certification procedure, the coverage of this procedure will be narrowed to include only professions, lines of business or sectors at risk of causing environmental pollution.

- Regarding consultation on the basic design, the required steps for this procedure will be clearly described in chronological order, with the responsibilities of the state agencies and individual or corporate applicants elaborated in each step. The composition and number of “related legal documents” in the application will be clarified and new application forms and templates provided.
- Regarding construction permits, the required steps will be clearly described in chronological order, with the responsibilities of the state agencies and individual or corporate applicants elaborated in each step. The composition and number of documents in the application will be clearly defined. Specific items in forms will be made simpler, including sections on the origin of land, entities/individuals reviewing the design, dismantling and relocation plans, etc.

By early 2011, the Prime Minister had approved 24 other resolutions in the plan to simplify more than 5,000 procedures in all sectors. To implement these simplification plans, the National Assembly, Government and line ministries need to, depending on their respective powers, release official legal documents to amend, supersede or annul the procedures in line with the simplification resolutions. Much work remains to be done in the post-Project 30 era and it is also vital to make sure that the simplification resolutions really work as more powerful public administrative reform takes place to create positive and sustainable impacts on Vietnam’s investment climate.

To fortify the reform process, the Government issued Decree No.63/2010/ND-CP, dated June 8, 2010, on the formation of a central procedure watchdog and a system of branch units at line ministries and provinces. On November 22, 2010, the Central Agency for Controlling Public Administrative Procedures was formed under the Prime Minister's Decision No.74/2010/QD-TTg. The aim is to ensure close surveillance of existing procedures and those to be amended, renewed and added so that no illegal, irrational or importunate procedures may arise to trouble the public and businesses.

In parallel to national level reforms, in the past years many provinces have proactively searched for their own solutions and initiatives, while remaining in compliance with the national legal framework, which will be introduced in Part 3.








2

PART 2

TOOLS OF ANALYSIS

One of the objectives of this toolkit is to provide simple analytical tools and methodologies for localities to study their own situations and plan for improvements. This section discusses some simple analytical tools that help to clarify and visualize the flow of administrative processes and thereby identifying inefficiencies, duplications, bottlenecks and inconsistencies in the processes. The main tools described here are:

-  Workflow analysis
-  Procedural mapping
-  Documentary analysis
-  Contact point analysis
-  Time studies.

1 Workflow Analysis

A simple workflow analysis is the start of any administrative study because:

- It can identify the institutional relationships and major steps in a procedure that need to be studied in greater detail through procedural mapping (see the next section).
- A workflow analysis may suggest inconsistencies in the process, or areas in which improvements can be made by application of concepts such as parallel processing (see Part 3).
- It facilitates comparison of local practices and extraction of innovative ideas.

Workflow analysis prepared by IFC has identified significant variations among localities in carrying out the same procedures (see Figure 2).

FIGURE 2 Variation among Localities, from the Site Introduction to the Granting of Construction Permits

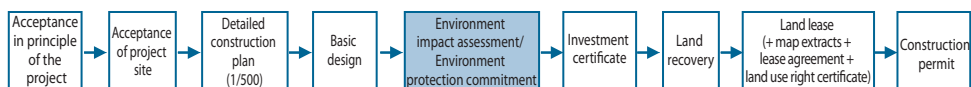
Bac Ninh (2008)¹⁰



Thua Thien-Hue (2008)¹¹



Binh Dinh (2009)¹²

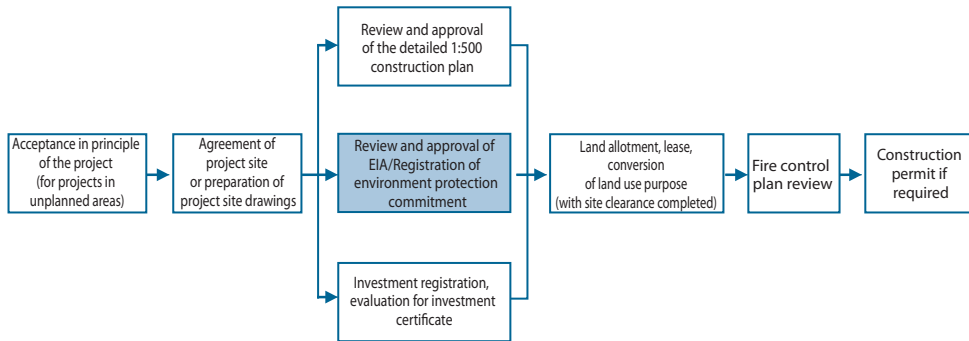


10 Based on IFC's survey with local governments and businesses in 2008 under the provincial land simplification project between IFC and Bac Ninh Province. This process has been re-engineered under Decision No.165/2009/QĐ-UBND dated November 27, 2009 by the provincial PC on the process and procedures of business access to land outside IZs in Bac Ninh Province.

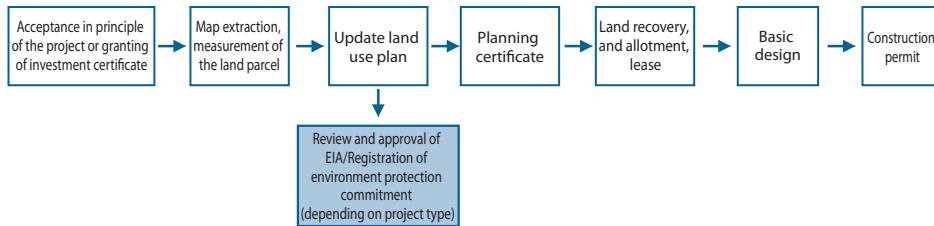
11 Based on IFC's survey with local governments and businesses in 2008 under the provincial land simplification project between IFC and Thua Thien-Hue Province. This process has been re-engineered under the provincial PC's Directive No.5809/UBND-XT dated December 31, 2010 on the process and procedures of business access to land outside IZs, EZs and new urban areas in Thua Thien-Hue Province.

12 Based on IFC's survey with local governments and businesses in 2009 under the provincial land simplification project between IFC and Binh Dinh Province. This process has been re-engineered under the provincial PC's Decision No.159/QĐ-UBND dated April 8, 2010 on the process and procedures of business access to land outside IZs and EZs in Binh Dinh Province.

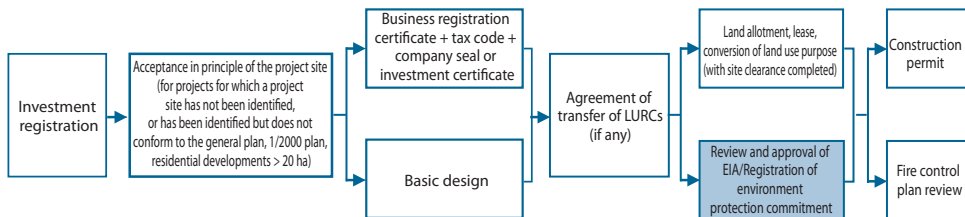
Ba Ria – Vung Tau (2007 to present)¹³



Thai Nguyen (2007 to present):¹⁴



An Giang (2009 to present):¹⁵



13 Based on Decision No.23/2007/QĐ-UBND dated April 19, 2007 by the provincial PC on the process and procedures for implementing investment projects outside IZs, EPZs and hi-technology zones in Ba Ria-Vung Tau Province. This process is still being applied at present.

14 Based on Decision No.884/QĐ-UBND dated April 24, 2008 by the provincial PC, approving the plan to adopt the OSS mechanism for implementing investment projects in Thai Nguyen Province. This process is still being applied at present.

15 Based on Decision No.10/2009/QĐ-UBND dated April 13, 2009 by the provincial PC on implementing the OSS mechanism for investment projects in An Giang Province. This process is still being applied at present.

Figure 2 shows variations in the overall process for land access and development permits. Specifically:

- In all of these provinces, the EIA is required to be completed prior to the granting of construction permits. However, this procedure is undertaken very early in the process, *before* the granting of Investment Certificates and land allocation/lease in some provinces, such as Bac Ninh (2008), Thua Thien-Hue (2008) and Binh Dinh (2009); simultaneously with the granting of Investment Certificates such as Ba Ria-Vung Tau and after the granting of Investment Certificates but *before or simultaneously* with the land allocation/lease such as Thai Nguyen and An Giang. The fact that investment, land, environment and construction legislation lacks connections, consistency and alignment is a primary reason for different interpretations among localities on the timing of procedures.
- The process workflow is sequential in some provinces. In others, it is simultaneous for certain procedures, which helps to save investors' time such as in Ba Ria-Vung Tau (three simultaneous procedures) and An Giang (two simultaneous procedures). Bac Ninh, Binh Dinh and Thua Thien-Hue have re-engineered their processes and adopted simultaneous processing for certain procedures (see Section 2, Part 3).
- Some provinces have combined processing for cases where procedures are sequential to each other in the process and are processed by the same agency. In these cases, investors do not need to submit separate applications for each procedure that require the same pieces of information. In Figure 2, the DoC of Bac Ninh Province is the lead agency responsible for admitting and processing applications for two procedures – the site survey and planning certificate. After the process was re-engineered in 2009, the DoC of Bac Ninh Province adopted combined processing for these two procedures. After receiving the acceptance of project site document by the provincial PC, the DoC automatically provides planning information for investors without requesting them to submit separate application dossiers.

2 Procedural Mapping

A good approach to further analyze local administrative procedures is to “map” the procedures in detail. The purpose is to provide a guide map so that anyone that is requested to review the subject procedure can follow the map to understand how the procedure is undertaken. The maps can help to identify duplicative and unnecessary activities, procedural bottlenecks and derogations from current regulatory requirements and best practice.

These process maps give a graphical reflection on:

- Steps to be taken and the relations between the steps
- People involved in each step

- Requirements relating to the application dossier (process inputs) and how the application should be lodged
- Administrative decisions made (process outcomes)
- The application in the pipeline throughout the process until approval is given.

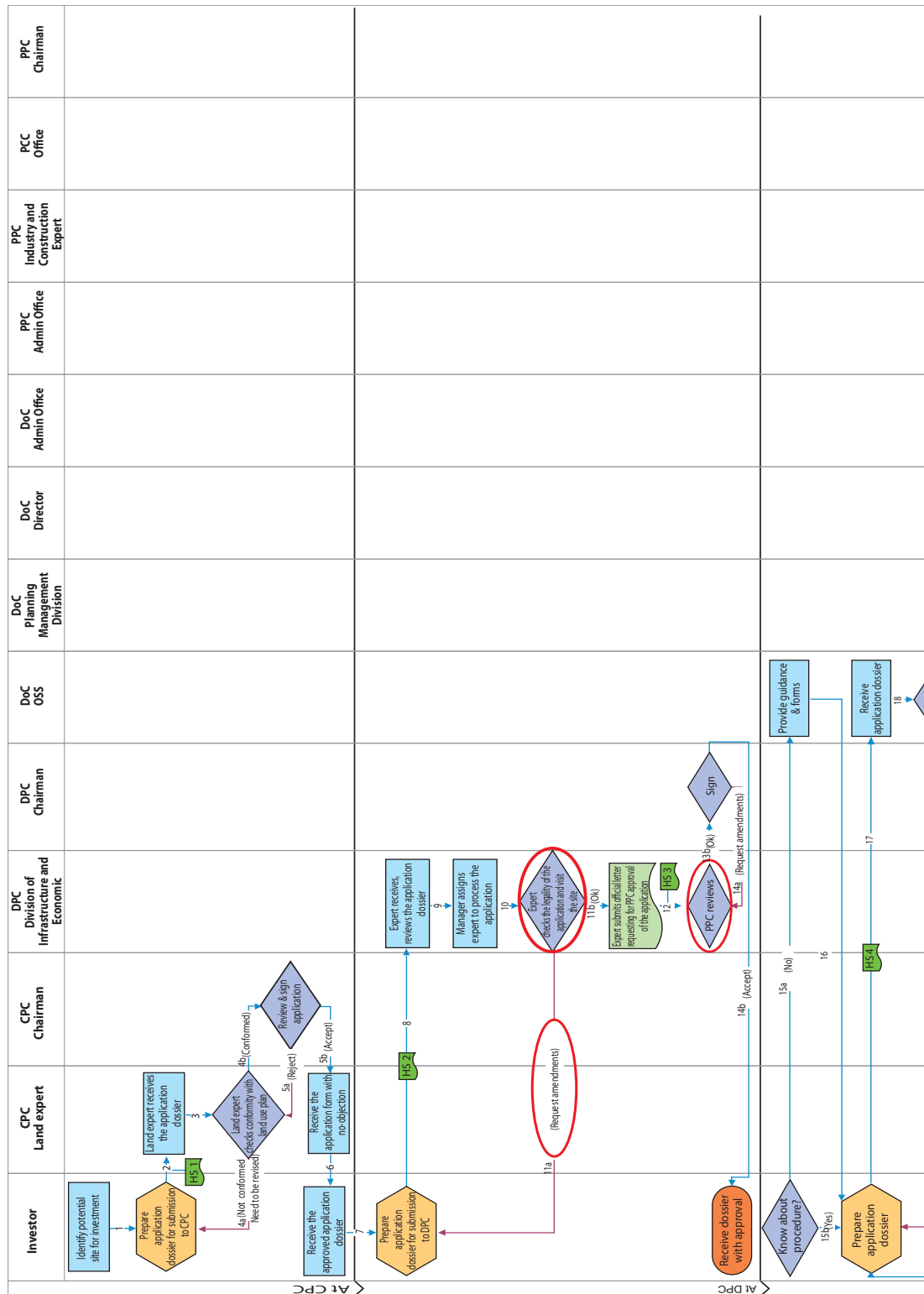
Mapping can be particularly helpful in multi-agency procedures to show the participating agencies the relationship of their roles and procedures to the activities of other agencies involved in the process, sometimes revealing opportunities for better coordination. Depending on the needs and starting point of the process, mapping can be a quick exercise or a substantial, detailed investigation using empirical methods such as survey research.

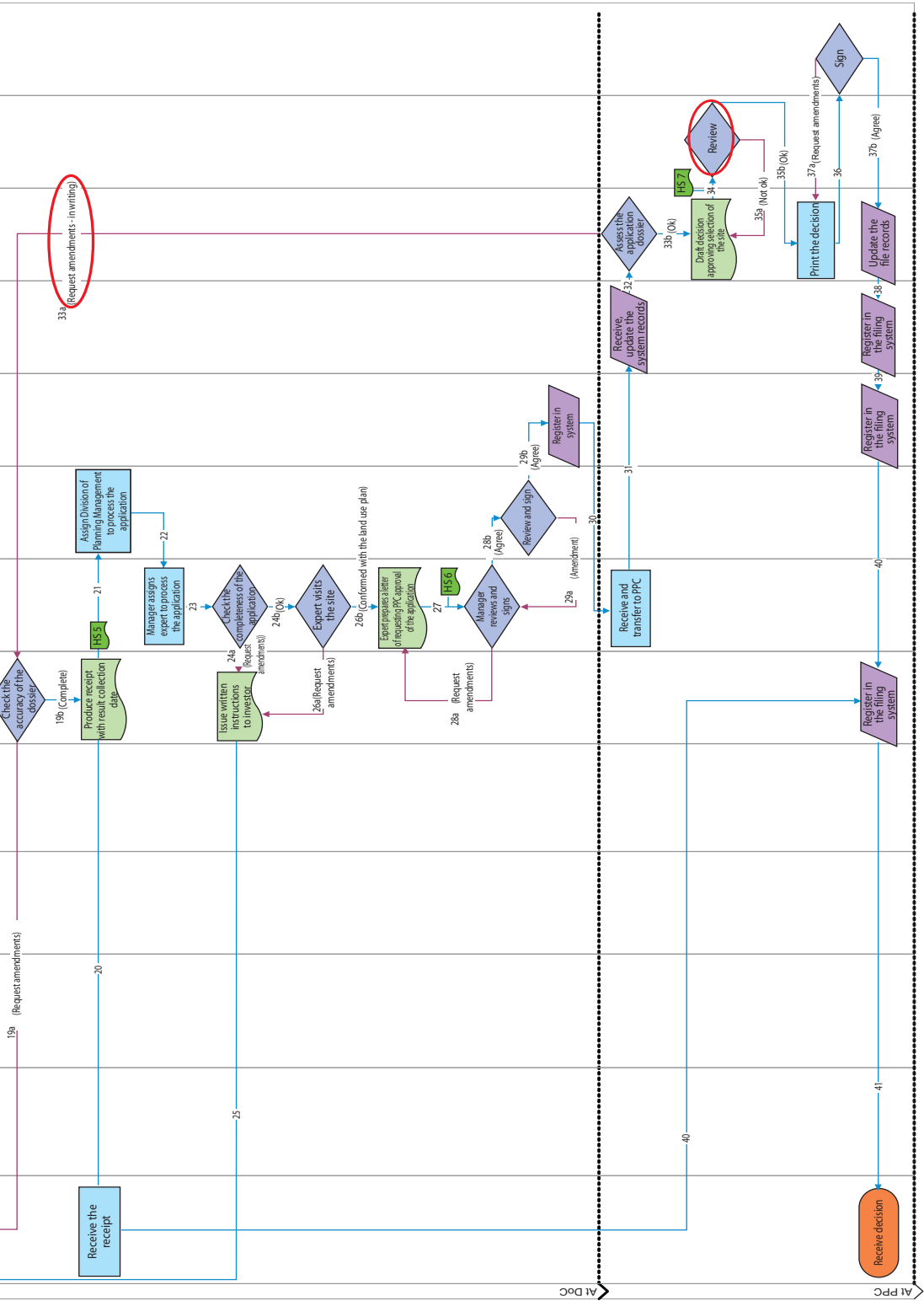
Process maps are typically developed on the basis of reviewing laws, regulations and literature as well as discussions with selected public officials and private sector stakeholders, which can include businesses and other direct users of the land as well as land market intermediaries such as consultants, brokers and design professionals who assist others in obtaining land rights. Gathering information from administrators and customers is necessary as the written descriptions of procedures found in law and regulations often do not describe what happens in fact, due to interpretation and gradual accumulation of administrative practice over time.

Figure 3 is the detailed procedural map of the site survey procedure undertaken with the DoC in a locality in 2008. It may be seen as the “cross-section” image of the overall process map illustrated in Figure 1. It shows that:








- To acquire a full application package for the site survey procedure at the DoC in this locality, an investor needs to obtain confirmation of agreement from the district and commune PCs on the tentative project site. This, in fact, represents two “sub-procedures” not found anywhere in related normative legislation needing to be completed.
- There are many agencies involved such as the DoC (the lead agency for receiving and processing applications and delivering results for this procedure), the provincial PC (the approving agency for the final decision), the office of the provincial PC, district and commune PCs (participating agencies for providing opinions on the applications). However, there is no coordination between the DoC and the district and commune PCs. As the lead agency for this process, the DoC should have contacted participating agencies, including the district and commune PCs for consultation instead of requesting the investor to visit each of the participating agencies as illustrated in the map. Therefore, a recommendation from the analysis of the procedural map would be to increase coordination and accountability of these agencies.
- There are several procedural bottlenecks as circled in the map. At these points, there is a risk of processing delays and subjectivity and bureaucracy of administrators may occur if there are no transparent criteria for application reviews and processing.

FIGURE 3 Procedural Map of the Site Survey/Site Introduction in a Locality





Shape How to Read

	Processes in the procedure		Application dossier following the rules:
	Preparation of application dossier		- First submission of the application dossier, including revision of the application dossier by investor: HS1
	Decision making		- Next submission of the application dossier with a new document(s) created and added to the dossier: HS2, HS3.
	Registry of incoming and outgoing documents		
	Possible processes in the procedure	CPC	Commune People's Committee
		DPC	District People's Committee
	End of the procedure	PPC	Provincial People's Committee




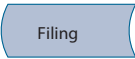
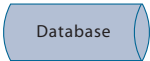

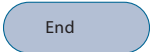



Mapping checklist

- ❶ Select a process to study. A process is a series of steps that are completed to accomplish a particular result.
- ❷ Identify objectives. Sometimes the objectives are obvious. If there are too many errors, the objective is to reduce the number of errors. If the process takes too long, the objective is to get through it faster. Sometimes, the objective is simply to document the process – so people can understand it better, to meet regulatory or certification requirements.
- ❸ Identify the process start point. What triggers the process? Is it the receipt of an application, an email request, an order form, a phone call or are there several triggers?
- ❹ Identify the process end point. How far will you follow this process? Until the application is approved, the result is returned to applicant or a notification email has been sent?
- ❺ Identify WHERE the work occurs and WHO does the work. The best way of doing this is to begin with a narrative process table, which lists activities chronologically. An example of such a process table is given below.

Process Table for the Site Survey Procedure

Step	Description	Purpose	Location of Activity	Performed by	Time Elapsed	Documents Submitted	Documents Created
1	Submit an application dossier	Start point	Commune PC	Investor	0.5 days	Application form and other documents	None
2	Review submitted documents	Ensure completeness of the dossier	Commune PC	Commune land administrator	0.5 days	None	None
3	Check with the land use plan and construction plan	Ensure that the project site proposed by the investor conforms to the approved planning	Commune PC	Commune land administrator	0.5 days	Application form and other documents	None
4a	Return the application dossier for revision	Inconformity with the planning	Commune PC	Commune land administrator	0.5 days	Application form and other documents	None
4b	Receive the revised application dossier	Conformity with the planning	Commune PC	Commune land administrator	0.5 days	Application form and other documents	None
.....							
41	Return results	End point					

- ⑥ Construct a map based on the process table. Microsoft Visio is popular software to draw process maps with a handful of shapes, blocks, icons that can be used to denote an activity/step such as:

Shape	Meaning
	An activity performed by a person (a task performed by an administrator or a business/citizen).
	A point at which a decision is made subject to the compliance and completeness of the previous activities.
	Application dossiers prepared.
	Filing of application dossiers.
	Use and update of a database for processing applications.
	Preparation undertaken by the investor or the administrator in order to submit an application dossier or transmission to higher level of management for further processing.
	End point of the process.
	Flow of primary steps of the process.
	Flow of secondary steps.
	Notification that the process map extends to the next page because it can't fit in one page.

Using the Procedural Map

In defining a process, the key objective is to capture reality and to paint a realistic picture of what the process does. When mapping a procedure, we don't ask why it is happening, because it does not matter yet. However, during analysis, every question becomes two questions.

- ❶ At each step, we ask first "What is happening? And to the answer of that question we ask "Why?" Why are we doing this? Is it necessary? Can it be eliminated?
 - If there isn't a good reason for doing that step, recommend that it be eliminated. This is the question that produces the most cost effective changes and should always be asked first. When work steps are eliminated there is little or no implementation cost and the benefit equals the full cost of the performing that step.
 - If there is a good reason for performing the step then ask: "Where is it done and why is it done there?", "When is it done and why is it done at that time?" and "Who does it and why does that person do it?" These questions lead to changes in location, timing and the person doing the work without changing the task itself and they are also highly cost effective. Schedules are revised to fit with previous and following portions of the process to produce a smoother flow. Tasks are shifted to people better able to perform them. Tasks are combined, eliminating transport and delays between them that occurred as the work flowed between locations and/or people.
- ❷ Only after these questions have been asked and answered should the final question be addressed: "How is it done and why is it done that way?" While this question can lead to excellent benefits, it also incurs costs because changing how a task is done generally requires introducing new technology and significant amounts of training.

Using these questions with a process map provides agencies with fresh eyes to see their work from a new vantage point. From this new perspective, opportunities for improvements become apparent, and since the people doing the study are familiar with the work, their improvements are almost always realistic, practical and actionable.

3 Analysis of Document Requirements

A problem frequently encountered is the lack of coordination and standardization among agencies with respect to the format and content of documents investors must submit to obtain licenses and permits. Agencies often require different formats or content for what is essentially the same information, requiring applicants to prepare separate documents with minor variations and decreasing the comparability of application files among departments and agencies. The concept of standardization is discussed in greater detail in Part 3.

A first step towards analyzing this issue is to understand the actual requirements of the local agencies with respect to form and content of documents and application dossiers. Figure 4 illustrates for one locality the number of application documents the investor needs to prepare and the expected outcomes from the agency in charge for each process.

The figure shows that by the end of the nine processes, the investor has prepared and filed 62 documents, of which 63% have to be developed anew, 26% overlapped (some documents have to be filed four times) and 11% are outcomes of previously completed procedures. If government agencies shared information with each other, the investor may have fewer documents to submit. For example:

- Credentials for the investor's legal status, project brief, project proposal, planning certificate are documents submitted over and again at different authorities (see [purple boxes](#) for reference numbers of overlapping documents and number of overlaps). If information is shared among provincial line agencies, the investor may not have to submit the same information to different agencies.
- Applicants are submitting the same documents for different procedures to the same agency. The procedures of land recovery (P5) and LURC granting (P7) are both under the responsibility of the DoNRE. Nonetheless, the investor would be required to resubmit the legal status documents (H4-PL) or cadastral maps (H16-D).
- Permits issued by the same authority still have to be submitted to that authority if another process is involved. Examples are the procedures for EIA (P3) and land recovery (P5), which are both handled by the DoNRE. Nevertheless, for the land recovery procedure, the DoNRE still requires the investor to re-submit the approval document of the EIA report, which has been issued by the DoNRE earlier for the EIA procedure (see the [orange box](#) in P3). Similarly, while the procedures of site survey (P1) and planning certificate (P2) are both handled by the DoC, the investor is still required to present the outcome from the procedure of site survey when applying for a planning certificate (see the [orange box](#) in P1).

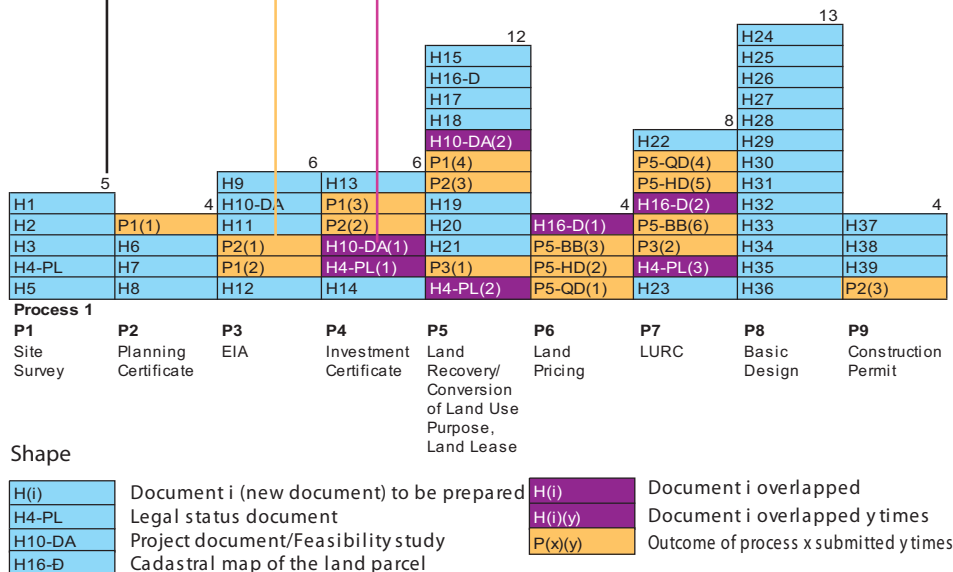
FIGURE 4 Document Requirements in Different Processes

Each cell represents a required document in the application dossier. For example, in the first process (P1) for the Site Survey, the application dossier consists of five documents.

Orange boxes – Outcomes of previous processes. For example, in the third process (P3) for EIA, of the six documents required, two are the outcomes of other processes, that is the Planning Certificate from the second process and Acceptance of Project Site Survey from the first process. Note that this is the second time that the Acceptance of Project Site Survey is requested by the local government.

Purple boxes – Overlapping documents. For example, in the fourth process (P4) for the Investment Certificate, there are two overlapping documents with other processes. They are:

- Project document (denoted as H10-DA). This document is first required in the third process (EIA), then repeated in the fourth (Investment Certificate) and then again on the fifth process (Land Recovery).
- Legal status document (denoted as H4-PL). This document is first submitted in the first process (Site Survey), then repeated in the fourth process (Investment Certificate) and then again in the fifth process (Land Recovery) and seventh process (LURC).



Source: IFC/MCG survey, 2008



Purple and orange boxes should be considered for removal or reduction if there is information sharing between related agencies.

The mapping of documents required for across procedures in the workflow will help agencies have a visual look at the burden of documents to be prepared by investors and identify areas for improvements, i.e. remove the request of submitting documents that have already been submitted or have been issued by the agency. The analysis of this mapping exercise also facilitates the sharing of information between agencies that will eventually save resources (personnel and time) for agencies and investors.

4 Contact Point Analysis

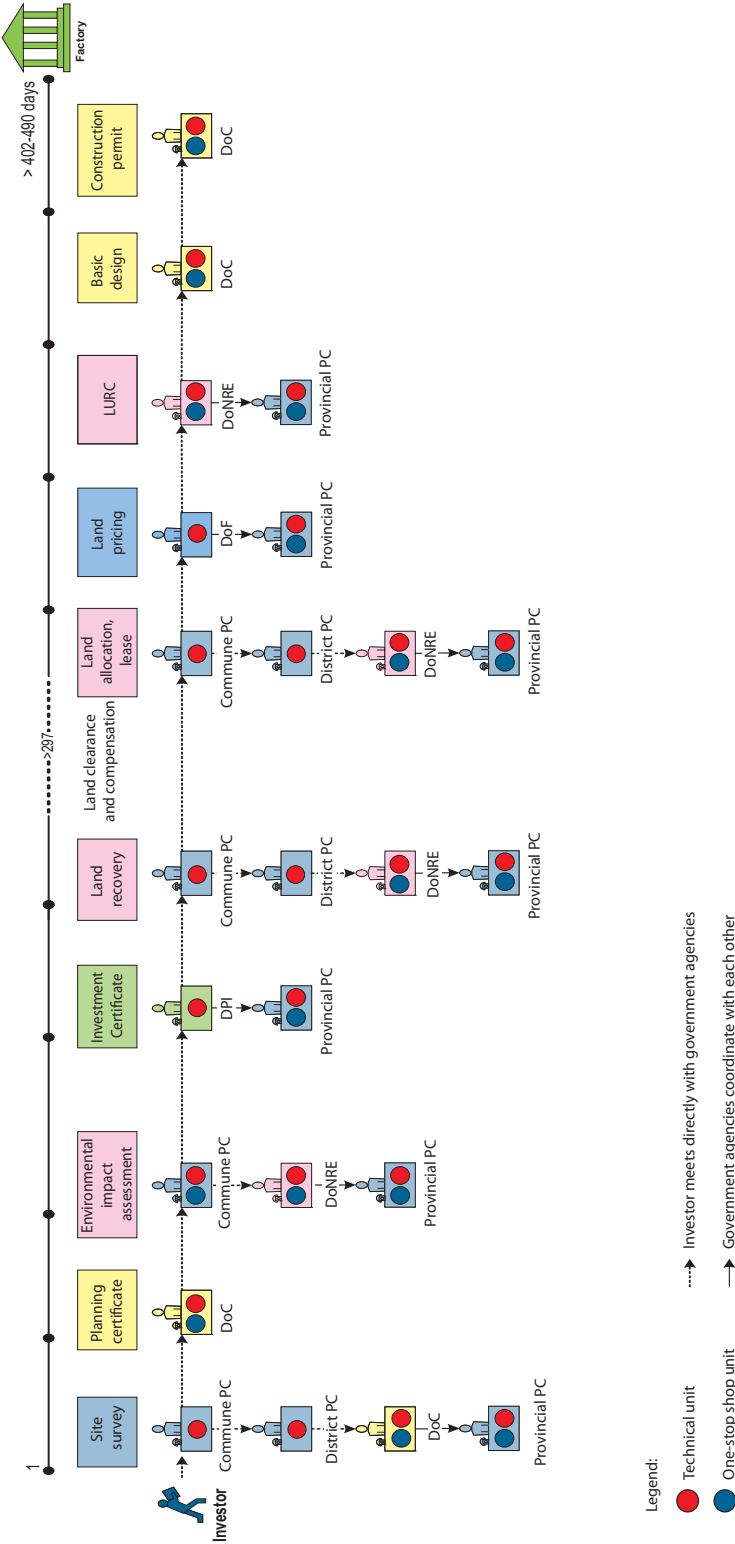
“Contact point” is used to refer to a person or desk at which an applicant must stop in the process of obtaining the permit or license. These contacts may be for a variety of reasons including to obtain information or guidance, preliminary review and approval of technical matters or to submit a required document. The complexity of the process increases as more face-to-face contacts are made in different departments. The required people may not be available, frequently necessitating return visits and causing delays. In the worst cases the various contact points may issue different interpretations or establish conflicting requirements.

Figure 5 gives an example of contact points that an investor in a particular locality has to visit to complete the procedures for land allocation, environment and construction as required. It shows that there is an OSS unit in each agency, however:

- Most investors have to make contact with at least two different divisions in the same agency: (i) the OSS (the blue circle) and (ii) a technical unit (the red circle).
- Moreover, the investor may have to visit more than one authority for a single procedure.

In Figure 5, an investor has to make contact with two to six contact points per procedure or at least 25 contact points in total to complete the entire process.

FIGURE 5 Contact Points for Investors to Complete the Entire Process for Land Access and Development Permits in a Locality prior to Process Re-Engineering

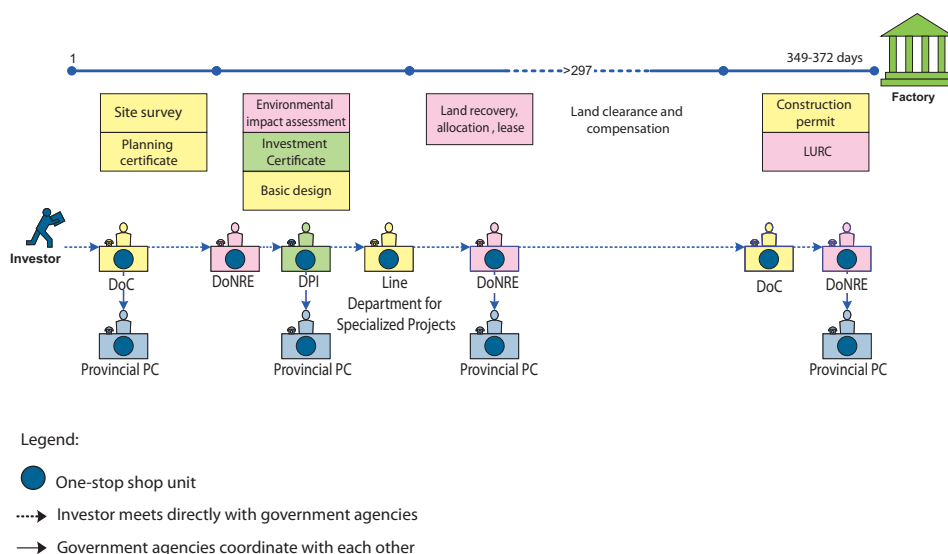


Source: IFC/MCG survey, 2008

Implementing the OSS mechanism may help reduce the number of contact points for investors (see Part 3). However, the primary functions of many OSS units are still purely to receive applications and return results via administrative staff. Therefore, investors tend to visit both the OSS units to lodge applications and receive results and the technical units to obtain instructions on how to prepare application dossiers and how to revise them.

In order to avoid “many stops in a one-stop shop”, the OSS units need to be allocated with professional staff who may work there for certain working hours depending on the workload of the OSS. The professional staff will work with the administrative staff and provide information and instructions for applicants to help them properly prepare applications and undertake a preliminary review of applications. All staff working at the OSS units should be trained on technical knowledge that is needed to make them capable to provide useful support for applicants. Investors therefore need to visit the OSS unit only to get the advice and information they need. The OSS will then become a true single contact point, facilitating internal workflows, coordination and external exchanges with other related government agencies. Figure 6 illustrates how the contact points have been reduced when they are concentrated into the OSS units (there will be no more red circles). The number of contact points will be reduced from 25 to seven.

FIGURE 6 Contact Points for Investors after the Process Has Been Re-Engineered



5 Time Studies

Accurately measuring the amount of time it takes to complete a procedure is an important step. It is possible to apply time measurement not only to whole procedures, but also to the individual elements of procedures, identifying bottlenecks and potential inefficiencies. Time is a simple and clear indicator of performance that everyone understands and is becoming more important as administrative agencies commit to customers that work will be completed within a stipulated time period.

One source of information for completion on time is to interview customers and professionals using formal survey and feedback mechanisms. The actual experiences of customers and professionals frequently differ from the perceptions of the officials who carry out the procedures. An important supplement to interviews with process administrators and customers can be a review of a sample of application files, provided the filing system is well organized and maintained.

In the best case, files will follow a fixed format allowing the reviewer to track the movement of the file from stop-to-stop within the reviewing agencies. Moreover, it is often required, and should be if not presently required, that the dates on which a file is received at a stop and then passed on be recorded in the file, permitting tracking of time for specific steps in the process. Notes are often included describing reasons for delaying or suspending processing, giving insight into the typical problems affecting applications.

Today, most of these functionalities are included in electronic management information systems, which allow detailed tracking of time performances by staff members and office functions (see Part 3).

BOX 3 Administrative Time Studies in Nigeria

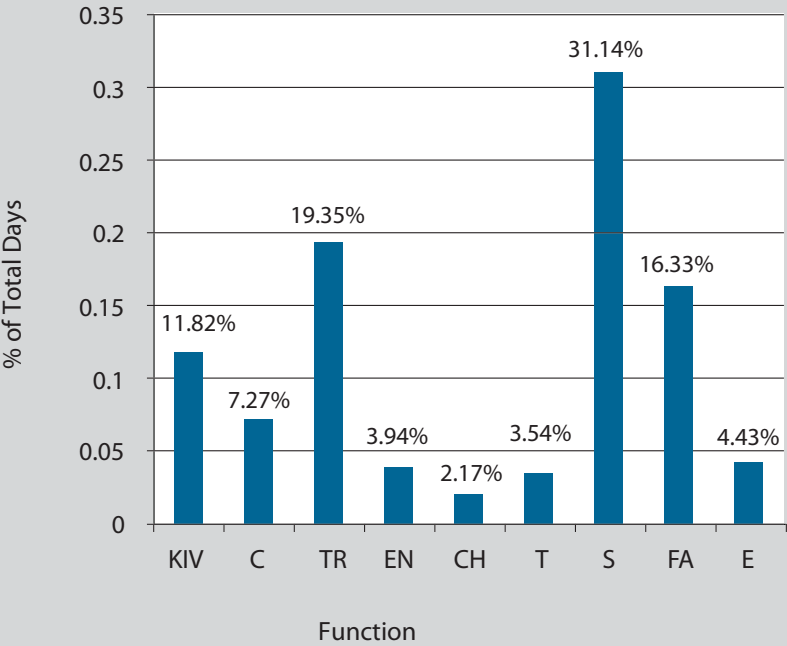
Since 2001 the building authorities in Lagos, Nigeria have had in place a policy of "30/30," which promised approval of a building permit within 30 days of submission of an application to any local office.

In 2009 IFC, with the cooperation of building authorities, conducted a study of randomly selected application files for building permits in selected offices. The purpose of the file review was to track the progress of the files from desk-to-desk (desk stops), recording the nature of the desk review and the amount of time spent at each stop.

The file review was preceded by a definition of specific steps or functions in the permit process and association of specific officers within the permit issuing agency with each of these functions. Each officer was required to note on the file dossier the date he/she received the file, allowing a more or less precise calculation of how much time the file spent on each desk. By aggregating the times for officers associated with each function it was also possible to determine the amount of time spent for each function.

In addition, it was possible to track the time during which the file was stalled within the issuing office under an order to suspend processing pending correction of errors or delivery of missing or additional information by the applicant. This latter process is known as a “keep in view” order, or “KIV.” KIV is frequently an indication of defects in the application.

Distribution of Construction Permit Processing Days by Office Function, Lagos, Nigeria



Legend:

KIV	Keep in View	T	Tax
C	Clerical	S	Supervision
TR	Technical Review	FA	Final Approval
EN	Engineering	E	Error
CH	Charting		

Some of the findings of the study included:

- The actual technical review of permit applications took on average only 20% of the processing time. Almost half (48%) of the time taken in permit processing was for supervision by middle management (director level staff) and obtaining final approval from the four most senior officials in the management structure.
- The average time to deliver a construction permit to the applicant was 295 days, or 10 times the performance standard of 30 days set by the authorities in 2001.
- Almost one-quarter of all permits took a year or longer to issue and more than a half (59%) took more than six months. Only 17% of cases took less than two months to issue the permit.
- On average applications were delayed for 35 days because of missing documents or other requirements not identified when the application was accepted for review.



Lagos, the most populous city in Nigeria, is the financial, commercial and industrial hub of this country. Photo from Website: <http://www.lagosstate.gov.ng/>.



PART 3

TOOLS FOR ADMINISTRATIVE REFORM

In recent years, many countries have made efforts to improve their administrative processes relating to land access and development permits from the perspective of investors, aiming to make them more transparent, reducing processing times and unnecessary paperwork. Among developing countries the main approaches to improving these administrative procedures have included:

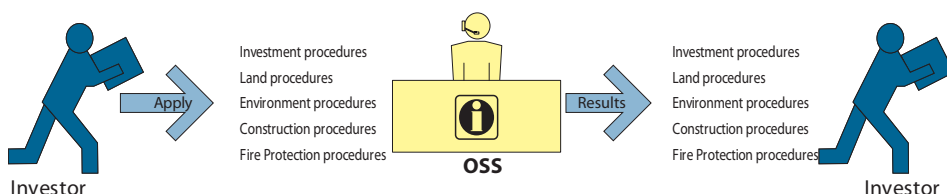
- 📁 **One-stop shops.** OSS is a common means of administrative reform improving administrative efficiency today, including in Vietnam.
- 📁 **Parallel processing.** Cases in which commencement of one step in an application process must depend on completion of a prior step are relatively rare and it is considered to be best practice to process steps in complex application procedures simultaneously to the maximum feasible extent.
- 📁 **Permit review forums.** Parallel processing of applications among regulatory agencies can be facilitated by requiring or permitting, at the request of applicants, periodic meetings at which responsible representatives of the agencies are required to appear in the presence of the applicant to comment on the application and identify further steps expected of the applicant.
- 📁 **Standardization of application and documentation requirements.** Application requirements can be coordinated among reviewing agencies to determine if they are asking for the same information in different ways or formats and an attempt can be made to standardize the content and format of the requirements and documentation. In the absence of compelling reasons, all agencies should be required to accept applications and documents in the standardized format.
- 📁 **Time bound processing.** Reasonable time limits can be set on processing applications. However, experience suggests that strict limits that exclude an agency's input, unless the time limits are met, may be unrealistic and ignored in practice, particularly if the result would be to allocate a state asset or avoid a legitimate health or safety regulation. But, the implementation of processing time targets establishes a standard against which performance can be measured.

These and other possible tools for improvement of administrative processes are discussed in this part.

1 One-Stop Shop Approach

The idea of the OSS is to allow businesses and the public to contact a single entity to have related procedures completed and obtain related types of permits, decisions, approvals and certificates. The OSS is ideally a consistent, simple public administrative process to provide access to multiple related services at the same time and in the same place.

FIGURE 7 One-Stop Shop Basic Workflow



1.1 Expectations of a Best Practice One-Stop Shop

There are a number of practical and theoretical issues to be considered in creating an OSS. Experience and studies in different countries indicate that a best practice OSS often entails the following requirements and attributes.

BOX 4 Summary of Factors Influencing the Success of One-Stop Shops

The one-stop shop approach will succeed if... The one-stop shop approach will fail if ...

- | | |
|--|---|
| ✓ It has a central position. | ✗ It is too far from where businesses are located, making it hard for them to reach and have procedures completed. |
| ✓ It is backed with the political will and commitment of the local government. | ✗ It does not have the support of the local government. |
| ✓ It has a vital role in the organization and is given high decision-making authority. | ✗ It does not have sufficient power and simply serves as a place for applicants to come and pick up forms and instructions to go somewhere else for the next steps. |

✓ It is staffed with quality, highly skilled, experienced and regularly updated personnel.	✗ It lacks quality staff and necessary working tools.
✓ It has in place a system of operating procedures, discrimination of responsibilities, monitoring and addressing abuses.	✗ It does not have an operating procedures system to guide the operation of the OSS.
✓ Fees and charges are listed, while transparency and disclosure are maintained.	✗ Fees and charges are not publicly announced.
✓ It has a clearly defined communication strategy.	✗ It lacks a clearly defined communication strategy to raise the awareness and understanding of stakeholders.

- **Accessibility:** A vital factor to consider when applying the OSS approach is accessibility for the public and businesses. For example, instead of maintaining an OSS at a single physical address, larger local governments may consider opening an OSS in different locations convenient for businesses and citizens. With the help of information technology and public internet sites, local governments may completely decentralize the process of providing information and receiving applications, collecting data online and relaying it to a centralized processing hub or individual departments responsible for application processing (see Section 5, Part 3).
- **Commitment of the local government:** The effectiveness of an OSS depends in large part on the level of local government commitment and support. In some countries movement towards the OSS approach has faced various challenges from existing agencies that resist delegation of some of their roles and powers to the OSS. A high level of support may be necessary to overcome individual agencies' reluctance to participate in a cooperative facility that may limit some of their prerogatives and expose their operations to greater scrutiny. A strong display of support by the local administration can engender public confidence and lead to greater use of the facility. Finally, investing in resources may also be necessary to get the shop up and running.

- **Roles and authority:** The roles and authorities of OSS can differ widely. An OSS can have a vital administration role and can be given significant decision-making authority, or be a simple conduit and source of information. The power that the local government decides to vest in the OSS may have major influence on its effectiveness.

International experience reveals that the “one-stop shop” concept is often understood and applied in three different ways.

- ① **Information provision OSS:** This type of information specialized OSS can provide investors with information and guidance relating to administrative procedures. This is a relatively easy facility to establish as it does not require delegation of authority.
- ② **Promoting and collaborating OSS:** This type of OSS functions to (i) provide information and guidance (as in the case of the “information” OSS), (ii) receive applications, (iii) monitor and accelerate the application review process and (iv) return the outcomes (in the form of permits, certificates or approval from the relevant authority) to the applicants.

This approach usually requires that staff of each reviewing agency be made available in a single location. Each OSS staff member must fully understand what needs to be done at each authority involved in the process, adopt a positive attitude and work in harmony to meet common objectives or risk the OSS turning into “one more stop”.

The Hong Kong pilot program for a warehouse construction OSS described in Box 5 is an example of an ongoing “collaborating” OSS. A key characteristic of this model is that it encouraged the participating line agencies to agree to the same performance standards and assigned shop staff to monitor an individual application’s progress once in the hands of separate technical agencies. Even though the shop has no formal power to approve applications or overrule technical agencies’ decisions, the monitoring function serves to make the process more transparent and encourages separate technical agencies to adhere to performance standards adopted by government.

The website of the Hong Kong One Stop Centre for Warehouse Construction Permits. Photo from Website: <http://www.eu.gov.hk/english/osc/osc.html>.

- ③ **Approval authority OSS:** This type of OSS has the authority to receive, process, and approve permits, certificates and approvals within its competence.

This OSS approach requires the formal delegation of power from the relevant authorities, or such authorities assigning their own staff with decision-making powers to work at the OSS. In addition, running an OSS in this mode also requires OSS staff to have comprehensive experience, skills, knowledge and understanding of related aspects of the process. Experience suggests that this approach may be the most convenient for applicants, however, it is not often supported by local authorities. As a result, local authorities may not delegate sufficient authority to the shop or local departments and agencies may not contribute staff with sufficient authority, knowledge and understanding to make decisions.

Another key concern for the success of such a shop is that there be a sufficient volume of business to justify the assignment of senior staff members from the line agencies to the shop for periods of time. In one case recently reported by IFC, the Development Board of Rwanda decided to close down an OSS to which senior representatives of the line agencies were assigned one day per week. The shop's objective was to accelerate investment approvals and land use permissions in and outside of industrial development zones by putting senior officials with significant decision-making authority in one place for one day per week. It was found that the volume of business could not justify the

absence of such senior officials from the ongoing work of their agencies. This issue may not arise in busy urban areas with high demand for services.

The most effective form of OSS is one that results in shorter processing times for permits, certificates and approvals. To achieve this, the “approving one-stop shop” should represent the true meaning of the term “one-stop shop”. However, true “approving one-stop shops” remain relatively rare today and are often in the form of corporate entities created by government with the specific purpose of promoting development by superseding local controls on land allocation and development.

Such entities are common today in the development of tourist areas and facilities. For example, many countries such as Egypt, Indonesia and Mexico provide for tourism development zones managed by special entities with full power over land use planning and construction. In Vietnam today, industrial and trade development zone authorities can be the equivalent of a functionally integrated OSS with full approval powers for finding locations for businesses and the issuance of construction permission.

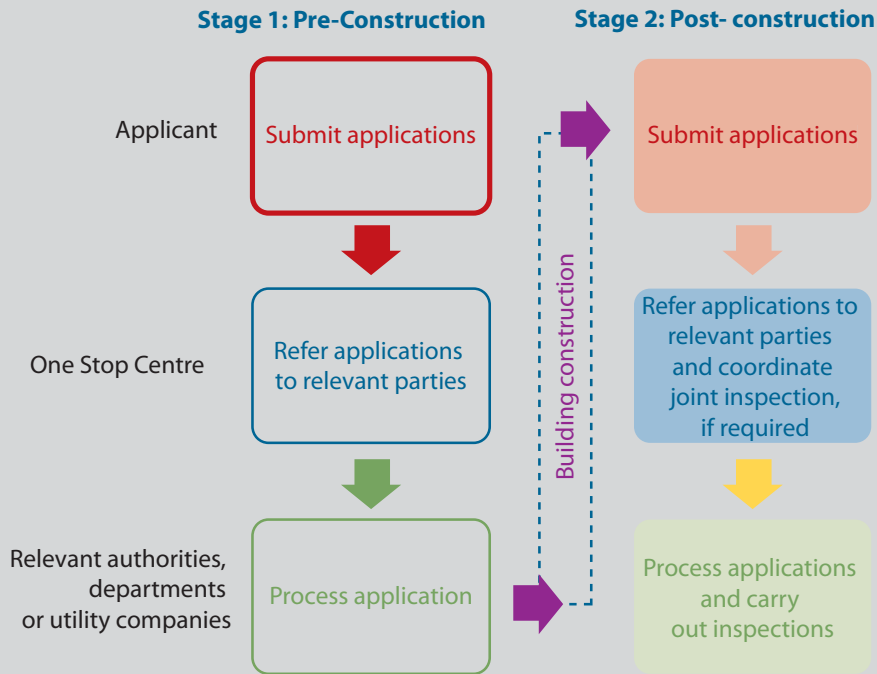
A common characteristic of true “approving one-stop shops” is that their authority may be limited to a specifically designated location, in which they are authorized to assume the normal roles of local government agencies with respect to land development controls.

BOX 5 Hong Kong Warehouse “One Stop Centre” and Expedited Permit Procedure

In December, 2008 the Hong Kong Building Department initiated a pilot program for a “One Stop Centre” for a certain category of warehouse projects. The One Stop Centre provides a centralized office for receiving construction plans and related application submissions and coordinating joint inspections conducted by different government departments. It offers businesses a convenient single point of contact and saves investors’ time in making applications to different departments, utility companies and contacting different parties for inspections.

An eligible project must (1) be a warehouse for general storage of not more than two stories and without a basement, (2) have no extraordinary needs for emergency vehicular access or fire safety, (3) not require significant foundation work with geotechnical content, (4) not require significant precautionary safety measures to be implemented prior to commencement of construction and (5) have complete plans and applications as required under current regulations.

The One Stop Centre accepts completed applications for six separate government departments at both the pre-construction and post-construction phases of the project.



- In the pre-construction phase, the OSS accepts a single package of completed applications for approval of building plans, commencement of construction, excavation works and water supply.
- In the post-construction phase, the OSS accepts the applications for drainage connections, a fire services audit and certificate, water supply, electricity connections, certificate of compliance with building requirements, telephone services and final joint inspections of the completed facility.

The applications for each of these services are completed in accordance with the current requirements of each department, packaged in separate envelopes and marked appropriately. Upon receipt of the applications the OSS takes responsibility for:

- Verifying compliance with submission requirements
- Delivering the application documents to the relevant departments;
- Monitoring processing and processing times

- Delivering departmental comments and questions to the applicants
- Collecting and delivering final approvals and permits to applicants.

The One Stop Centre performs the role of monitoring the progress of each application and for building projects eligible for parallel processing. It commits to process the applications within 45 days from the date of submission. The individual government departments that participate in the One Stop Centre are also committed to meeting these performance pledges in processing the relevant applications. Moreover, upon receiving applications, the One Stop Centre pledges to deliver the documents to each relevant department within the next working day.

Source: Hong Kong Building Authority

- **Staff quality:** The performance of an OSS is closely related to the quality and professionalism of its staff. An OSS needs to employ sufficiently qualified and competent staff and offer opportunities for comprehensive, holistic and regular training to help them iron out any emerging problems.
- **Clearly defined operating procedures for the OSS:** Clearly defined job description, responsibilities, authority and specific operating procedures, standards and criteria help prevent arbitrariness and reduce malpractice. This will also create and build trust among businesses and the public as they recognize that the workflow on paper as they have learned and expect actually takes place exactly the same way in real life.
- **Communication strategy:** Education and communication to let the businesses and public know about the presence and performance of the OSS is vital. The one-stop shop will have less meaning if the public and potential investors have no idea of the services and service quality currently available at the OSS. The communication strategy does not necessarily have to be sophisticated and massive in size. Communication through the radio, television, leaflets, booklets or brochures, catalogues, billboards or posters in crowded places has proven effectiveness (see Section 6, Part 3).

- **Facilities:** The importance of clean, welcoming and customer friendly physical facilities should not be underestimated. A facility should:
 - ✓ Be large enough to provide a waiting lounge for clients applying for procedures and seeking information.
 - ✓ Provide complete information and instructions posted in the office area.
 - ✓ Be well furnished with attractive waiting benches, writing desks for customer use, beverages, air conditioning, and an automatic queuing system.
 - ✓ All necessary business equipment for staff, including computers, printers, and photocopying machines for use of both staff and customers.

BOX 6 One-Stop Shop Facilities

An OSS should provide a spacious and friendly environment with waiting lounges for clients filing applications, looking for information and studying related procedures.



Photo: Process maps are displayed at the OSS for land access and development permits in Thai Nguyen Province.



Photo: Waiting lounge at the OSS for land access and development permits in Quang Ninh Province.

1.2 Types of One-Stop Shop Structures

Similar OSS structures offer few opportunities for innovation and the structures can be divided in several ways. According to Decision No.93/2007/QĐ-TTg¹⁶, in an inter-agency OSS, the agencies can be linked vertically, horizontally or mixed, i.e. both vertically and horizontally. According to the physical organization, there are two types – a multi-agency OSS and a lead agency OSS.

¹⁶ Decision No.93/2007/QĐ-TTg dated June 22, 2007 by the Prime Minister promulgating regulations on implementation of OSS and inter-agency OSS mechanisms in local state administrative agencies.

The multi-agency OSS and the lead agency OSS are the two most prevalent models in the world today and are commonly found throughout Vietnam.

Multi-Agency One-Stop Shop

In seeking to establish an OSS, a common approach is to bring together representatives of different government agencies into one place. This is often described as the “multi-agency OSS” or a “one door” or “one roof” approach.

This may be relatively straightforward to implement, subject to suitable accommodation. It would not normally require any change in legislation or departmental responsibilities. However, it would need effective cooperation between different agencies and require staff from relevant departments to work at the OSS office according to an agreed schedule. Therefore, they would be unable to handle other tasks during that time. This model would be more efficient for provinces that receive a great number of applications per day.

Horizontal inter-agency OSS is a joint mechanism for handling procedures among agencies of the same level (e.g. for the procedures of business registration, tax code and company seal).

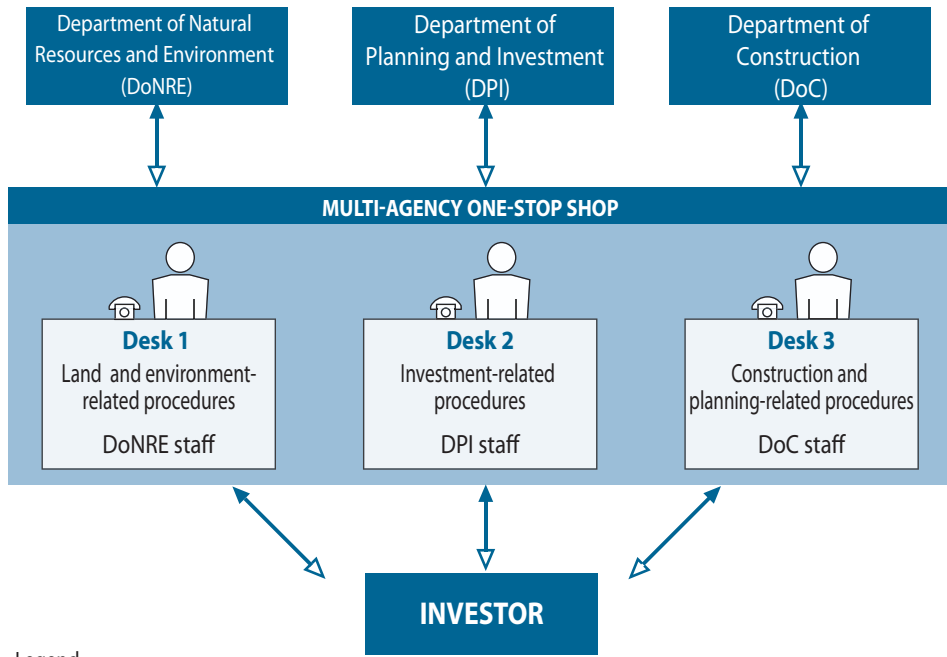
Vertical inter-agency OSS is a joint mechanism for handling procedures among agencies of different levels, either top-down (from provincial agencies down to district and commune ones such as for land allocation and land lease) or bottom-up (from commune agencies up to district and then to provincial agencies such as for residence registration and justice).

Mixed inter-agency OSS both horizontally and vertically: such as that for approval of the project sites and granting of the investment certificate.

Examples of Provinces Adopting the Multi-Agency OSS for Land Access and Development Permits

Participating agencies, typically including the DPI, DoNRE and DoC, place staff in a single office to provide guidance, receive applications and return outcomes to applicants. The investor interacts with respective representatives of the three agencies at the same time and place to complete respective procedures.

FIGURE 8 Multi-Agency OSS for Land Access and Development Permits outside IZs, EZs and EPZs in Vietnam



BOX 7 The Multi-Agency One-Stop Shop in Thai Nguyen Province

On April 24, 2008, the provincial PC of Thai Nguyen Province issued Decision No. 884/QĐ-UBND approving the provincial initiative to implement a multi-agency OSS mechanism to handle administrative procedures for investment projects in the province. On June 1, 2008, the multi-agency OSS was officially launched.

The OSS operates under the direction of an OSS Steering Committee that is chaired by the provincial PC Chairman and its members consist of senior leaders and officers from related departments such as DPI, DoC, DoNRE, Department of Finance (DoF) and Provincial Industrial Zone Authority (IZA). These members are directly engaged in decision-making to guarantee investors' applications are handled on time at the OSS while still carrying out their other daily jobs.

An OSS Standing Committee, led by the DPI, assists the Steering Committee with daily management of the OSS office. The OSS office is located in the provincial PC. OSS staff include those from the DPI, working full time there everyday and those from the DoNRE and DoC, working full time there every Tuesday and Thursday. The OSS is the focal contact point for investors to obtain information and instructions, submit applications and receive outcomes for all procedures related to investment, land access and construction.

The OSS takes the lead in coordinating with related agencies. For procedures that need consultation with other agencies, particularly the in principle approval of an investment project, the OSS Standing Committee calls for a Steering Committee review meeting. The meeting minutes are a key document for the provincial PC to make final decision.

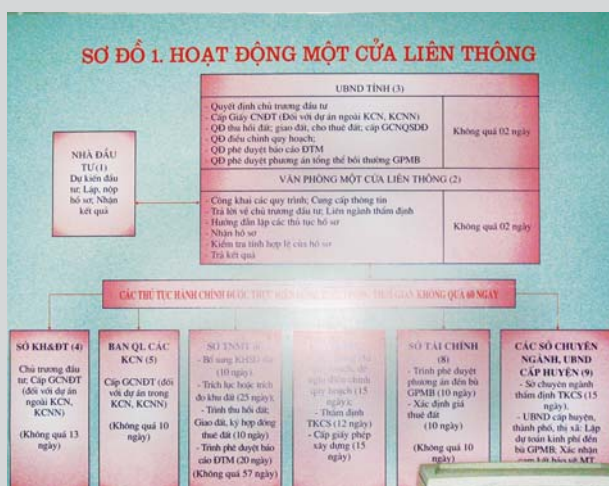


Photo: The OSS operation workflow is clearly displayed at Thai Nguyen Province's OSS office.

BOX 8 The Multi-Agency One-Stop Shop in Quang Ninh Province

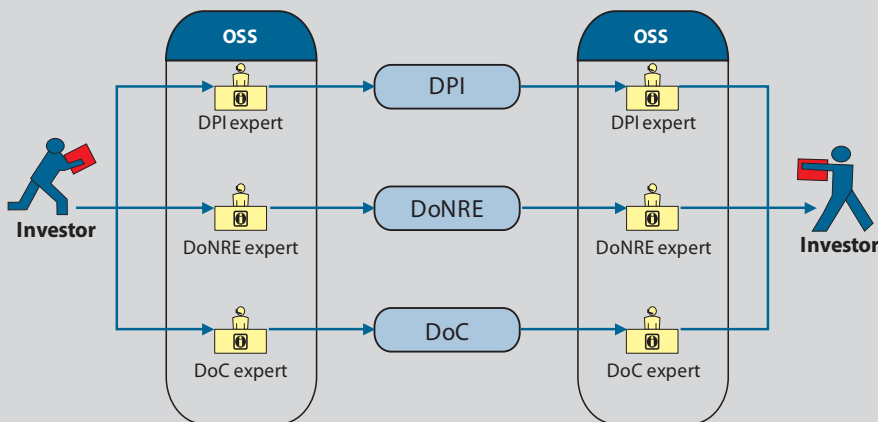
Quang Ninh Province's multi-agency OSS office was established in accordance with the provincial PC's Decision No.618/2007/QĐ-UBND dated February 13, 2007 which promulgates provisional regulations on the implementation of a multi-agency OSS mechanism to handle administrative procedures for investors undertaking production and trading projects in the province.

The office is located on the first floor of a multi-agency office building. It provides a single contact point for investors to register business start-ups and undertake post-registration procedures related to land access outside IZs, EZs and EPZs such as for Investment Certificates, basic design, EIA/environment protection commitments and land allocation/leases.

There is also an OSS Task Force that consists of a provincial PC Vice Chairman (Task Force Leader), DPI Director (Task Force Standing Deputy Head) and directors of related departments such as DoNRE, DoC, DoF, Tax Department, Police Department (Task Force members) and the district PC Chairmen (depending on specific projects).

The standing office of the Task Force is the OSS office, located at the DPI, directed by the DPI Deputy Director and consisting of professional staff from DPI, DoNRE, DoC, DoF, Police and Tax Departments. Consulted agencies are required to commit to specific time frames and the rule of "silence is agreement" applies.

As the diagram shows, the OSS office receives applications and delivers results. Actual processing and decision-making takes place at respective departments upon receipt of applications passed from the OSS office.



The OSS office publishes full information about each procedure, including the process, duration, fees and charges and working hours.

BOX 9 The Multi-Agency One-Stop Shop in Hai Duong Province

Hai Duong Province implemented its multi-agency OSS mechanism in accordance with the provincial PC's Decision No.02/2010/QĐ-UBND dated January 20, 2010 to handle 12 different procedures as indicated.

Business start-up procedures

- 1 Business registration certificate
2. Tax code registration
3. Corporate stamp registration

Investment procedures

- 4 Recommendation and approval of project sites
5. Investment Certificate

Land procedures

- 6 Land recovery
7. Land allocation
8. Land lease contract
9. LURC
10. Approval of land lease fees and collection methods

Construction procedures

- 11 Approval of detailed construction planning
12. Construction permit.

Upon receipt of an application file, the OSS' staff is responsible for immediately collating and verifying the file.

If there are questions that need clarifying with related agencies, the OSS office clarifies them with the respective agencies immediately before admission.

If the application file is incomplete or not in order, the officer on duty provides detailed explanations and instructions to the applicant for the file's completion as required. Such guidance will be provided once, in full and exactly as publicly listed so investors avoid repeated revisiting to revise the file.

The transfers/circulation of application files between the OSS office and related agencies are documented and updated in a standard documentary workflow control sheet to monitor the processing status and keep records of delays and reasons.

Lead Agency One-Stop Shop

If, going through the “one door”, a customer finds just one and not several counters, this is a different type of organization - a “lead agency OSS” or “one window” or “one table” approach.

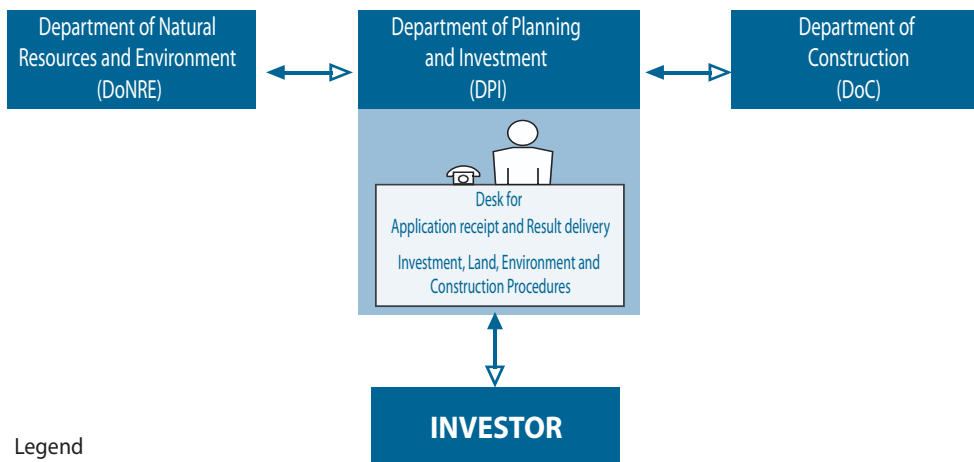
The advantage of this model is that the lead agency official is authorized to accept documents for government bodies other than the one that employs him/her. Documents may be sent by hand or courier to other offices for action, or this may be done electronically. As a result, the applicant will normally only need to deal with one person and not be forced to go to other offices or meet staff from other offices.

However, lead agency staff need to thoroughly understand and familiarize themselves with the application forms and requirements of other procedures to provide customers with proper instructions on how to correctly prepare applications. Proper training is recommended and more human and financial resources should be allocated.

Examples of Provinces Adopting the Lead Agency One-Stop Shop in Land Access and Development Permits

In this model, one of the participating agencies, often the DPI, is assigned as the lead agency which directly provides instructions, receives applications, processes the applications within its own powers and circulates the applications to other participating agencies for completion of procedures.

FIGURE 9 **Lead Agency OSS for Land Access and Development Permits outside IZs, EZs and EPZs in Vietnam**



BOX 10 The Lead Agency One-Stop Shop in Ba Ria-Vung Tau Province

Ba Ria-Vung Tau Province has operated a lead agency OSS since April, 2007 in accordance with the provincial PC's Decision No.23/2007/QD-UBND dated April 19, 2007. The DPI serves as the focal contact point for six procedures as indicated.

Investment procedures

- 1 Principle approval of investment projects and recommendation and approval of project sites
2. Investment Certificate

Environment procedures

- 3 EIA/environment protection commitment

Construction procedures

- 4 Approval of detailed construction planning
5. Construction permit

Other proceduress

- 6 Fire safety approval

The DPI receives applications for the six indicated procedures and circulates them to the respective agencies for processing. The DPI will then collect outcomes from the related agencies and return them to the applicants at the DPI OSS.

It should be noted that due to the complexity of land-related procedures, the province has chosen not to include them (e.g. land allocation, land lease and LURC) within the coverage of the OSS. Rather, investors work directly with DoNRE to complete these procedures. However, the DoNRE is required to send monthly update reports to the DPI about the status of applications for land-related procedures for monitoring the overall process and consolidated reporting to the provincial PC.

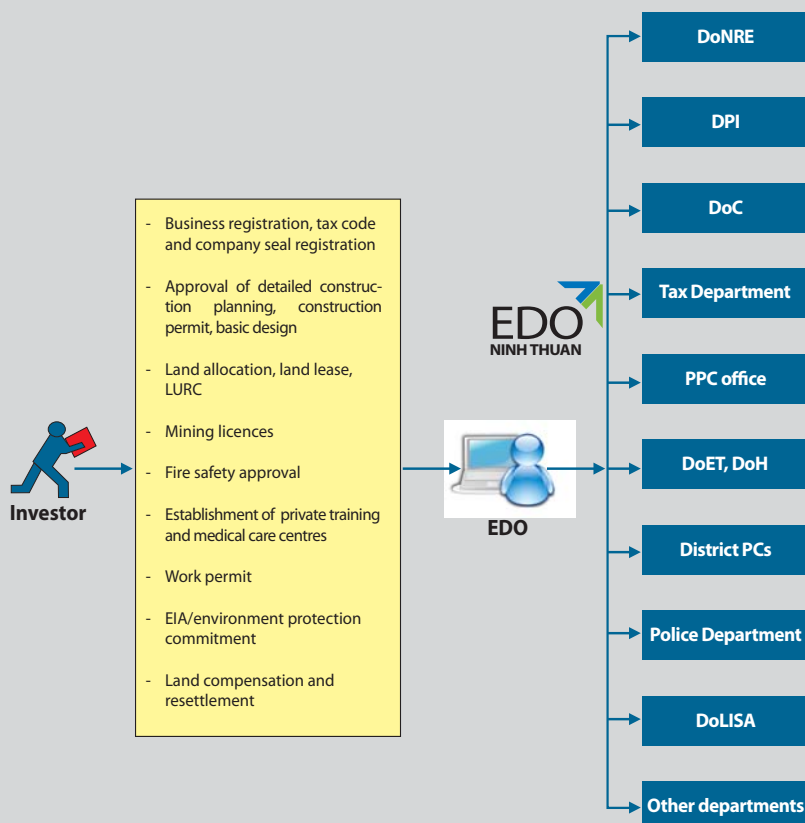
BOX 11 The Economic Development Office in Ninh Thuan Province

The provincial PC of Ninh Thuan Province issued Decision No.290/2010/QĐ-UBND on March 17, 2010 promulgating regulations on the implementation of an inter-agency coordination mechanism to solve administrative procedures with the Economic Development Office (EDO) as the lead agency OSS. It serves as a single contact point for investors to undertake all administrative procedures, which are divided into three categories:

The first category includes procedures that are processed directly by the EDO such as tax code registration, extracts of site maps and site recommendations.

The second category includes procedures for which the DPI is the responsible agency to propose the investor's case to the provincial PC for a final decision, such as the approval of project sites and granting of Investment Certificates. The EDO receives applications and advises the DPI on application solutions to be proposed to the provincial PC for final approval.

The third category includes procedures that are to be processed by relevant line departments/agencies. The EDO only serves as the focal contact point of receiving applications from investors and returning results to investors.



The EDO was established in accordance with Decision No.207/2010/QĐ-UBND dated March 8, 2010 by the provincial PC. It is a public service agency with a legal status, a separate stamp and bank account. It is mapped to the DPI and is managed by the DPI Director under the directive of the provincial PC Chairman. Its operations are funded by the state budget and other sources.

Its design is based on Singapore's Economic Development Board (EDB) (www.edb.gov.sg) and will be developed to become a modern public administrative service center for the province.

According to Ninh Thuan Province's EDO Director Truong Xuan Vy, the EDO helped to cut 30-50% of an investor's time spent on administrative procedures and grabbed investors' attention. So far, with advice from the EDO, the provincial PC has approved and granted Investment Certificates for 70 new investment projects with approximately VND160 trillion in registered capital, a substantial increase compared to the past.¹⁷

Please visit <http://www.edoninhthuan.gov.vn/> for more information.

1.3 Some Further One-Stop Shop Considerations

The full positive impacts of adopting the OSS model will not be enjoyed unless it goes with improvements or simplifications to the existing process, document requirements and procedural conditions, especially when the existing working conditions, incentives and processes are still issues to be addressed.

In many ways, some OSS roles may become redundant as localities move towards implementing several other administrative tools discussed in this toolkit. These include (1) electronic processing of applications (see Section 5, Part 3), (2) standardization of applications and documents (see Section 7, Part 3) and (3) parallel processing of applications (see Section 2, Part 3).

If an investor can upload all information electronically in standardized formats accepted by all reviewing agencies and each of these agencies is connected by intranet, the benefits of the OSS may be achieved by other means. Through these means the "approving one-stop shop" is gradually becoming irrelevant except in cases where local control is an actual barrier to development and authorities specifically set out to supersede local control (e.g. consider the Prime Minister's trade

17 N.T.T, "A Good Model". *Thanh Nien*, Issue No.82 (5569), March 23, 2011.

and export zones). However, the OSS may remain relevant to (1) the provision of information and guidance, particularly for those who do not make use of electronic media (e.g. small businesses with limited knowledge of and access to the internet), (2) monitoring the performance of separate technical agencies and encouraging compliance with performance standards and (3) centralization of provider/consumer contacts.

There are many efficient administrative systems in the world today that do not include the OSS model. The following sections will discuss some other administrative tools – parallel processing, standardization, permit review meetings, information strategy and use of electronic technology, all of which taken together may have a greater aggregate impact on administrative efficiency than OSS.

2 Parallel Processing

2.1 What Is It?

Some systems rely on “sequential” processing in which an application moves from one department or expert to another in sequential order. This alone can explain long processing times, particularly if an application file is always routed through a central desk or department to the next stop.

Modern systems, particularly those making use of electronic technology, rely more on parallel processing, in which all departments review the application over the same period of time. Refer, for example, to Box 5 in which the Hong Kong One Stop Centre pledges to distribute completed application documents to each of six interrelated departments within one day of receipt and each department pledges to review the applications in the same time frame.

Some paper-based systems require that eight to 10 complete copies of application documents be submitted for parallel processing. Localities may look at this issue to determine whether more parallel processing can be undertaken, either through submission of more application copies or better management of submitted documentation.

In Vietnam, parallel processing of administrative procedures is not a new concept. However, government agencies and investors are not commonly aware. The earliest instances of parallel processing formal recognition in normative legislation as a way to save time for investors and encourage information sharing between different agencies appeared in changes to the advertisement licensing procedure under inter-ministerial

Circular 06/2007/TTLT-BVHTT-BYT-BXD in 2007 and when procedures for business, tax code and company seal registration applications were simplified and implemented in a one-stop shop approach under the joint-ministerial Circular 05/2008/TTLT-BKH-BTC-BCA in 2008.

Basically, parallel processing takes place when different line agencies or technical divisions in the same agency handle more than one administrative procedure at the same time, without cross-influence. In this way, parallel processing does not affect each agency's legitimate requirements for procedures or decision-making.

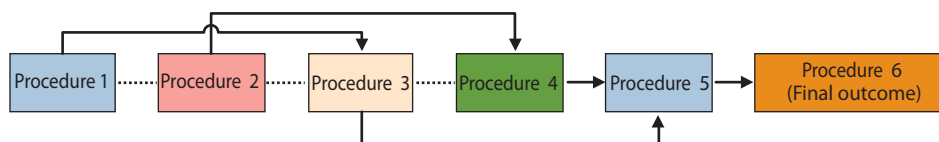
From a legal perspective, parallel processing of administrative procedures may not infringe on any normative legislation, but this point is often ambiguous in normative legislative instruments. Moreover, since explicit guidance is rarely given in related normative legislation, most investors are unaware they can apply parallel processing to particular procedures.

In some cases, it is possible a project proposal is fatally flawed in some respects and it would save time and resources to resolve that question before devoting more time to the application. This is an empirical question that can be determined from experience. In some cases the technical conclusions of one reviewer may be essential to the conclusions of another, but these cases are rare. In practice, an objection by one department is usually not decisive in determining the success of an application, but simply one among many questions and issues that an applicant must address.

To allow investors to quickly retrieve the outcomes for various procedures, provinces including Ba Ria-Vung Tau, Bac Ninh, Binh Dinh and Thua Thien-Hue have introduced specific guidelines to let investors know which procedures may be legally simultaneously processed. With such provisions in place, investors may decide for themselves whether they want to prepare and lodge applications for parallel processing. Adoption of parallel processing may be considered based on some specific guidance:

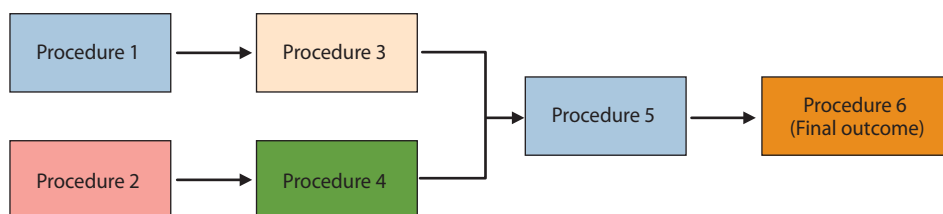
- The procedures of interest are part of specific processes that include different procedures and the final outcome of the process depends on the completion of the previous procedures. The example given in Figure 10 reveals that the procedures may be completed in a sequence from 1 to 6, with a loose connection between 1-2 and 3-4 (distinguished by lines -----) since the actual links exist only in 1-3, 2-4, 3-5-6 and 4-5-6 (distinguished by lines —).

FIGURE 10 Identification of Targets for Parallel Processing



- Procedures that do not require submission of their outcomes or outcomes of other procedures to be approved are highlighted in Figure 10. For example, procedures 1-2 and 3-4 are not linked and it can be understood that to complete procedures 2 and 4, applicants do not need to submit the outcomes of procedures 1 and 3 respectively, while to complete procedures 3 and 4, applicants will need to complete procedures 1 and 2 respectively. In this way, the diagram in Figure 10 can be restructured as in Figure 11, in which procedures 1-3 are executed simultaneously and similarly for procedures 2-4.

FIGURE 11 Implementation of Parallel Processing



The parallel processing approach is helpful to both authorities and applicants:

Authorities

- Giving investors a good impression of the local business-enabling climate as the process efficiency is improved and processing times are shortened.
- Making it easier and more manageable to monitor the progress of an investment project as the process takes less time to complete.

Applicants

- Understanding the connection between various procedures to properly prepare applications.
- Being able to anticipate the time needed to complete the process and minimize waiting times to receive final outcomes.
- Allocating adequate resources to complete the process as soon as possible.

2.2 Some Local Examples of Parallel Processing in Land Access and Development Permits

The comparison of the situations prior to and after adopting parallel processing in several provinces shows encouraging results and changes.

BOX 12 Parallel Processing in Bac Ninh Province

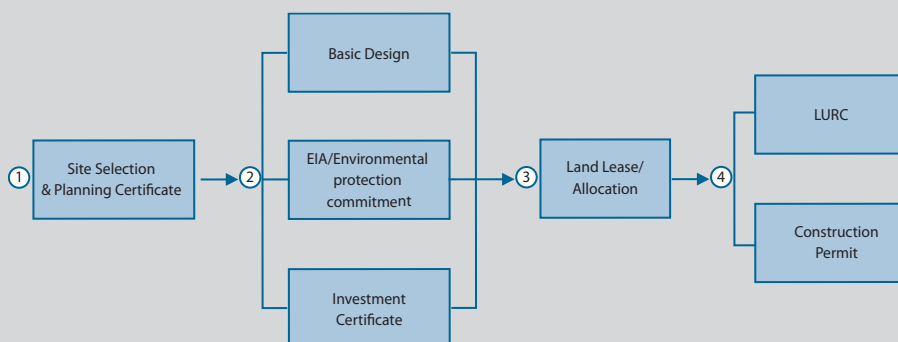
Bac Ninh Province undertook a diagnostic review of the business access to land outside IZs process in 2008 under an investment climate technical assistance program with IFC. The diagnostic results showed that there were no concrete guidelines governing the sequencing of procedures related to business access to land. Investors were found to perform each of the required nine procedures sequentially. They completed one procedure and obtained approval of the authority responsible for that procedure before proceeding to the next one. Consequently, the process took much longer to complete than necessary.

Built on these diagnostic findings, the provincial PC decided to re-engineer the process whereby it would look for procedures that could be processed concurrently so as to increase process efficiency. As a result, the provincial PC issued Decision No.165/2009/QD-UB on November 27, 2009 that introduced process changes from sequential to parallel processing.

Sequential processing in Bac Ninh (prior to November, 2009)



Parallel processing in Bac Ninh (since November, 2009)



The process map shows that following this decision, investors can undertake procedures in four stages, of which procedures in two stages (Stages 2 and 4) are processed simultaneously. The investor may concurrently lodge applications for different procedures at different agencies at these two stages. For example, in Stage 2 the investor may concurrently undertake the basic design consultation procedure with the DoC, the EIA procedure with the DoNRE and the Investment Certificate procedure with the DPI. Similarly in Stage 4, the investor may concurrently apply for the LURC and construction permit with DoNRE and DoC, respectively.

It should be noted that the provincial PC has also made other process improvements at Stage 1, whereby two formerly separate procedures – site selection and planning certificate (i.e. provision of planning information) – are now processed in combination due to the two procedures being next to each other in the process and the same agency (DoC) is responsible for processing. Investors no longer have to prepare separate applications for each procedure. Instead, they only prepare one application and can still receive two outcomes at the OSS of the DoC (approval of project site and planning certificate).

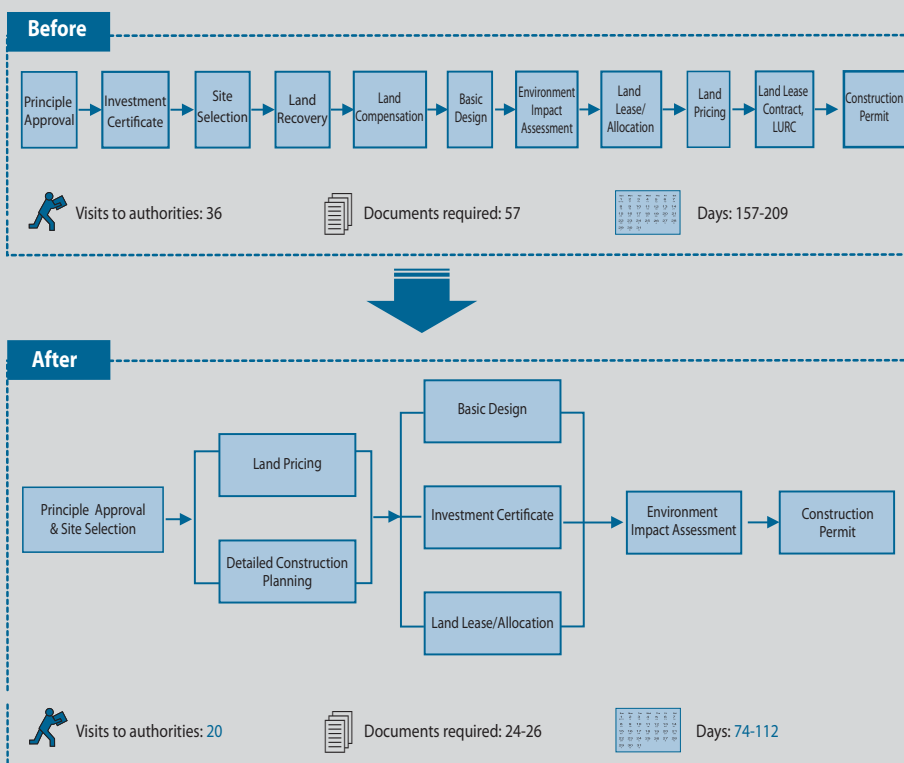
It is estimated that as a result of this process re-engineering, the time required for investors to complete the whole process will be reduced by 27% (from 151 to 110 days), the number of visits to government departments by 66% (from 36 to 12) and the number of documents required by 46% (from 62 to 33).

BOX 13 Parallel Processing in Thua Thien-Hue and Binh Dinh Provinces

Thua Thien-Hue and Binh Dinh provinces have taken similar approaches to re-engineering the process for access to land under a technical assistance program with IFC. The following process maps demonstrate the before and after situations. The estimated outcomes are also encouraging.

In *Binh Dinh* Province, the provincial PC issued Decision No.159/QD-UBND¹⁸ on April 8, 2010 to re-engineer the process, which adopts parallel processing, amongst others. This helps to reduce the number of days required to complete the process from 209 to 112 (46%), the number of visits to authorities from 36 to 20 (44%) and the number of documents from 57 to 26 (54%).

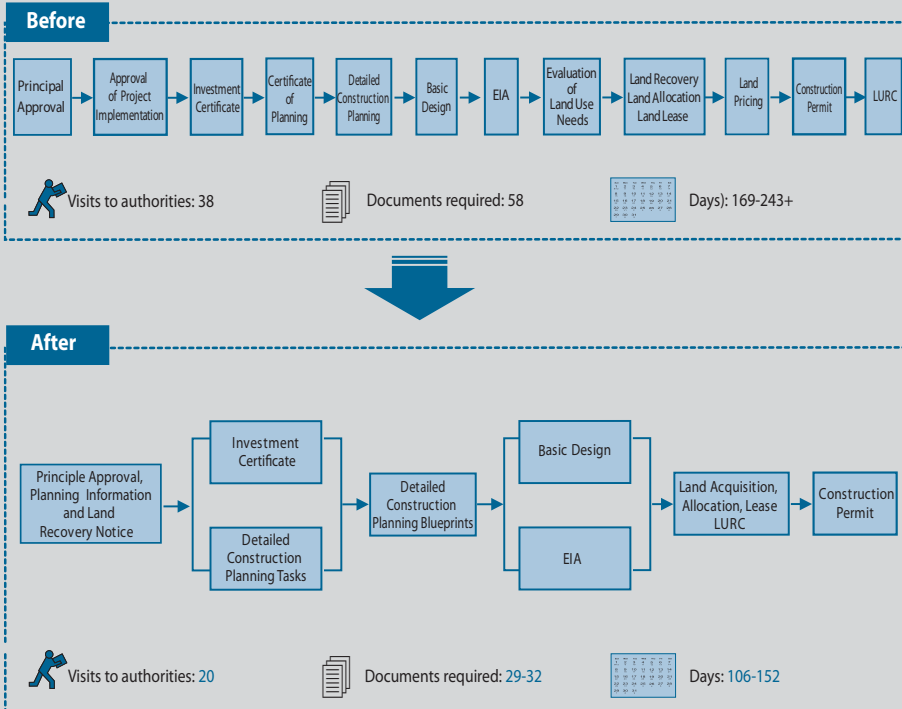
Binh Dinh Province before and after Process Re-Engineering



¹⁸ Binh Dinh Province is refining this decision after one year of pilot implementation.

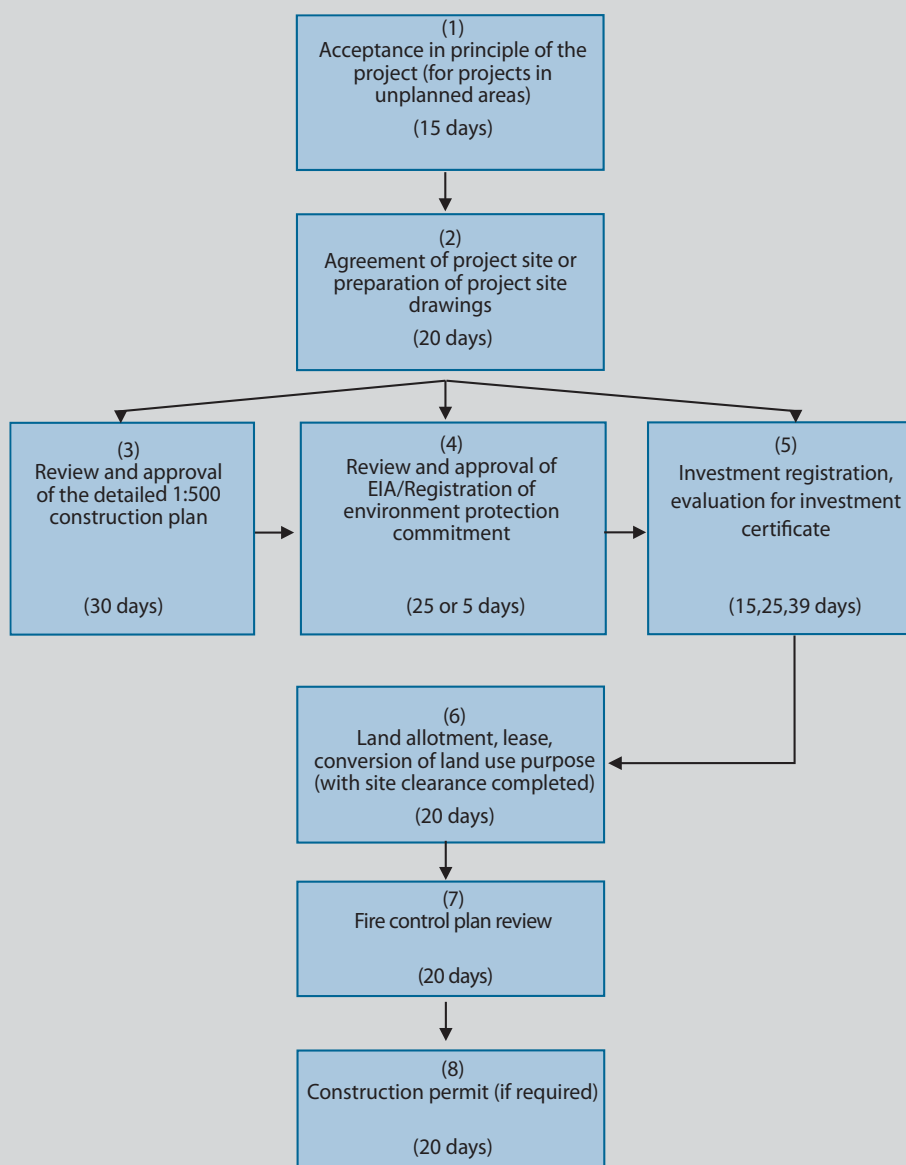
In *Thua Thien-Hue Province*, the provincial PC issued Directive No.5809/UBND-XT on December 31, 2010. According to this directive, investors now undertake, in parallel and in combination, a number of procedures as illustrated in the diagram below. It is estimated that the improvements result in a 37% reduction in process times (from 169-243 days to 106-152 days today).

Thua Thien-Hue Province before and after Process Re-Engineering



BOX 14 Parallel Processing in Ba Ria-Vung Tau Province

Ba Ria-Vung Tau Province's following process map is taken from the province's guidebook on the process of implementing investment projects outside IZs, EPZs and hi-technology zones under the provincial PC Decision No.23/2007/QD-UBND dated April 19, 2007. It shows that Procedures (3), (4) and (5) can be done concurrently.



2.3 Some Further Considerations on Parallel Processing

Parallel processing is just one tool among others to enhance the quality of service delivery. The most benefit can be obtained from parallel processing if it is viewed as a part of a package of changes aimed at improving the process. Effective implementation of parallel processing may also require attention to the following:

- **Common application identifier.** Use of common file identification numbers among agencies can facilitate processing and communications among departments (see Section 7.2, Part 3). Assignment of a common file identification number can be delegated to one lead agency, a good task for an OSS.
- **Standardized documentation.** Standardized forms, content and graphics requirements (e.g. content of site plans, content of economic presentations) among all agencies can facilitate preparation of applications and communications among review agencies (see Section 7, Part 3).
- **Number of application packages.** Systems that rely on paper documents must make sure that sufficient copies of documents are submitted to allow simultaneous distribution to all concerned service providers.
- **Cooperation of all reviewing agencies.** Parallel processing only bears fruit if all participating agencies agree and make best efforts to adhere to the same time frame for processing.
- **Monitoring.** Parallel processing may be more effective if there is a department or person responsible for tracking the progress of the application, even if that responsibility is nothing more than a monitoring function.
- **Review meetings and dispute resolution.** Parallel processing would benefit from inter-departmental review meetings at which representatives of the various departments may present their issues and seek resolutions (see Section 4, Part 3).

3 Fast-Track for Simpler Projects

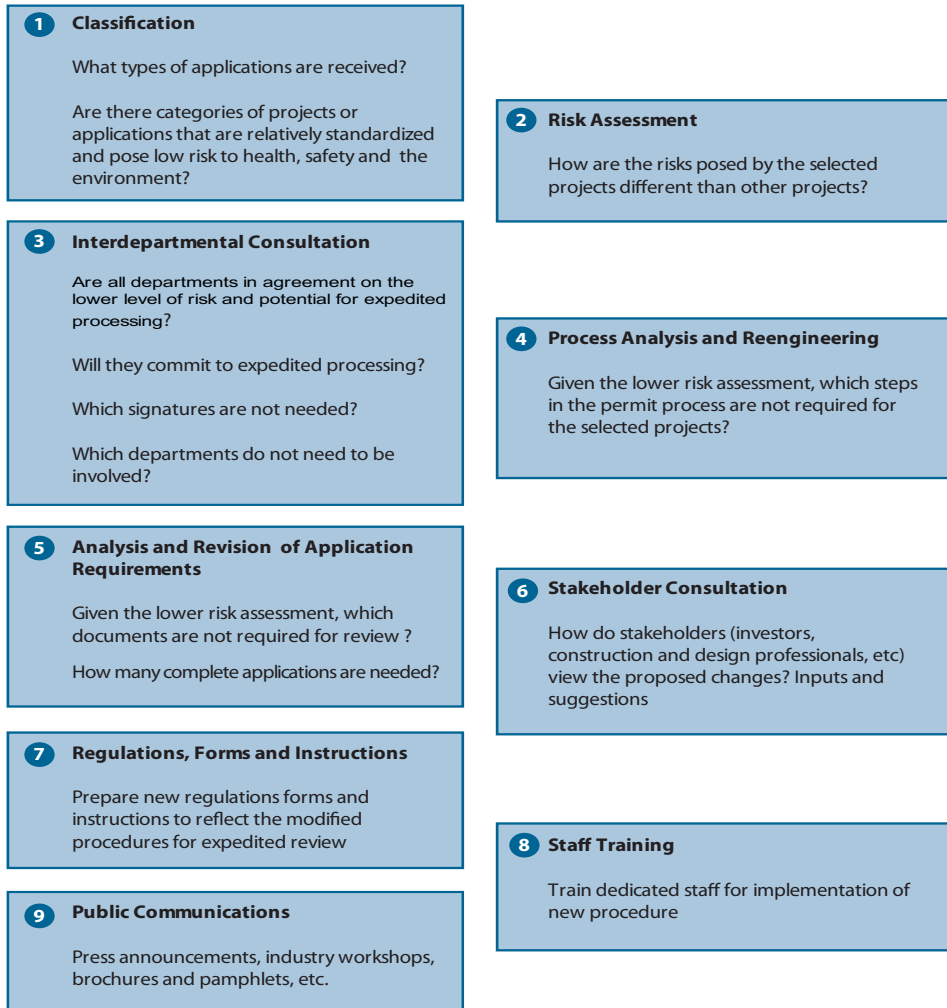
Practically all advanced jurisdictions have created simplified or “fast-track” procedures for small or standard projects, thereby reducing the burden on technical staff and allowing allocation of resources to projects which deserve additional scrutiny. In better systems project application requirements and documentation is cumulative and based on the complexity of the project as reflected in quantitative thresholds, such as size or qualitative thresholds, such as location.

The development of a small house or a large commercial building can be very different in terms of environmental impacts and risks to health and safety. It is this realization that has led to implementation of “fast-track” or “express” processing of certain types of development permits in many countries today.

The objective of fast-track systems is to provide an expedited process for designated classes of development activity. To support the expedited service, permit authorities must consider what is essential to properly process various types of development projects and in doing so are often able to eliminate steps and documentary requirements, thereby saving time and costs for the investing public and processing agencies.

Simplifying and accelerating the review of simple projects can also free up human resources to be applied to more complex and time consuming projects. Building authorities in some countries suspect that the imposition of the full weight of review requirements on simple projects leads to greater informality and illegal construction and that simplifying procedures for these types of projects actually leads to greater safety.

FIGURE 12 Steps to Implementation of an Expedited Permit Process for Small Projects



The common approach to expedited permit reviews in many countries appears to include the following:

- **Clearly described eligibility criteria and exclusions.** The typical fast-track permit system applies to permit applications for smaller commercial and residential projects that do not require extensive work. The usual projects to which fast-track reviews apply include:
 - Projects of small size, for example 300-500 square meters
 - Internal modifications to commercial or residential structures
 - External modifications that do not result in change of size, such as doors, windows and building exterior treatments
 - Changes to internal systems such as electricity and plumbing
 - Minor structural changes such as additions to existing residential buildings.

BOX 15 Expedited Permits in the City of Toronto, Canada

The Building Department of the City of Toronto, Canada, has implemented an express permit process for certain types of commercial construction projects which present a low level of risk and comprise a large number of the applications received by the department. The department commits to processing the permit application within 10 days of receipt. The expedited service is available for structures used for light assembly, business, industrial, office or retail activity and include interior alterations for areas up to 300 square meters which involve no land use change and only minor changes to structural or life safety systems. Applicants are required to submit only a standardized application form, permit fee, site plan and construction drawings for review.

The similar residential fast-track system implemented by the department is a building permit service for certain types of home renovation projects in existing houses with one or two units. The stated goal of the program is to issue a permit to the applicant "on the spot" – while he/she waits in the office. The maximum process time to which the agency commits to is five business days. The fast-track permit process includes small projects for which a large number of applications are submitted, mainly building additions of up to 50 square meters, external and interior renovations, and construction of small accessory structures. The applicant is required only to submit a standardized application, permit fee, simple plans and drawings for the work that may be done by either the homeowner or a professional designer. The office provides applicants with convenient models for drawings acceptable for submission, including site plans, floor plans, elevations and cross-sections.

- **Strong commitment to expedited processing times.** Many fast-track systems are committed to completing permit processing in an expedited time period that is published as part of the agency's public service commitment or "citizens charter."
- **Reduction of paperwork.** Fast-track procedures may entail simpler applications and fewer documentary submissions.
- **Dedicated staffing.** The fast-track system appears to work best if it is established as a distinct process with dedicated staff who only work on the expedited procedures.
- **The fast-track review is often not permitted for projects which entail:**
 - Change of land use
 - Significant structural changes
 - Significant excavation works or changes to landscape
 - Projects located in sensitive environmental or cultural zones.

BOX 16 Hong Kong “Minor Works” Program

As a good example of “fast-track” procedures, the Hong Kong Building Authority in December, 2010 implemented a system of “minor works” intended to simplify procedures for whole categories of minor development and construction projects considered to pose small risks to health and safety.

Prior to implementation of this new program, large-scale building works and works of a very simple nature were governed by the same set of controls, including the requirements to obtain prior approval and consent from the Building Authority before commencement of works and to appoint authorized architects, engineers and surveyors registered under the Buildings Ordinance and registered professionals to design and supervise the works as well as registered contractors to carry out the works. It was determined that these stringent requirements for minor works actually created difficulties in control and enforcement and also resulted in many unauthorized building works. The government amended the law and introduced the Building (Minor Works) Regulation [B(MWR)] in May, 2009.

A total of 118 building works items were determined to be minor works subject to the new regulation. These minor works were classified into three classes according to their scale, complexity and risk to safety:

- Class I (total of 40 items) includes relatively more complicated minor works
- Class II (total of 40 items) comprises those of comparatively lower complexity and risk to safety
- Class III (total of 38 items) mainly includes common household minor works.

Different requirements may apply to each category of risk, but the crux of the new regulation is that minor works can be commenced without the need to obtain prior approval of plans and consent in writing for the commencement of works from the Building Authority, provided that the work is designed and/or carried out by duly licensed professionals.

To promote the new system, the Building Authority implemented a comprehensive information and communications strategy (see Section 6, Part 3) which included:

- Issuance of new technical guidelines and practice notes on minor works to the construction industry for reference
- Distribution of general guidelines on minor works to members of the public and building owners introducing the new system to assist their understanding of the classification of minor works and the appointment of appropriate building professionals and registered contractors for the carrying out of minor works
- Collaboration with the Hong Kong Housing Society to set up a Technical Resource Center to provide advisory and enquiry services to the public
- Uploading detailed information from the MWCS onto the Buildings Department webpage for the general public’s reference
- Establishing a telephone hotline to answer public enquiries
- Publishing booklets to introduce MWCS for building owners

- Making available a free a CD-ROM of the General Guidelines and Technical Guidelines at more than 40 government offices in Hong Kong.

The Building Authority's perceived benefits of the new fast-track system included a decrease in informal building and an increase in safety, as well as more efficient use of the Building Authority's resources.

4 Permit Review Meetings

The opportunity to consult with technical departments prior to, or during, the application process can significantly help facilitate the process. Most service providers today provide ample opportunity to meet and discuss proposals on an informal basis prior to submission of an application. In general, any representations made by service providers at such meetings are reliable.

The main problem arises when applicants are required to separately meet with service providers and conflicts arise with regard to requirements. In these cases, the applicant may be forced into a position of intermediating between government agencies to reach a resolution. This system can be inefficient and lack transparency. Some localities have addressed this issue by providing opportunities for applicants to meet with all review agencies simultaneously in ad hoc or regularly scheduled building plan review meetings to present differences and reach a mutual understanding. The benefits of such meetings can include:

- **Direct communications between technical departments:** Face-to-face meetings can avoid misunderstandings and the need for the applicant to translate the demands of one agency for another.
- **Transparency:** Formal meetings are generally on the record with formal minutes.
- **Preparation:** Formal meetings require review agencies to prepare and present their positions in a transparent and clear manner.
- **Time savings:** The formal one-off review meeting can save time on interdepartmental communications and intermediation of the applicant among agencies.
- **Finality:** Decisions taken at formal meetings are presumably final and not subject to reversals for insignificant reasons. This prevents review agencies from coming back for a "second bite at the apple" and extending processing times.

In Singapore, the Building and Construction Authority still requires building permit applicants to directly contact technical departments (e.g. fire, environment, roading, transport, parks, monuments and education departments) to obtain approval before a building permit can be issued. However, it conducts bi-weekly building plan approval meetings at which attendance by the separate technical departments is mandatory.

An applicant who is experiencing problems with technical agencies' conflicting requirements or delays in obtaining cooperation from technical agencies, can request

that the application be included on the agenda of a building plan review meeting, at which a resolution of conflicting requirements and issues can be reached. The meeting does not guarantee a resolution and there is no power to demand a resolution from separate reviewing agencies, but the meeting serves to throw light on the process and requires participants to act transparently and in good faith.

The Singapore process is facilitated by other best practices adopted there, including that all applications are assigned a common file reference number at the start of the process, and all agencies must refer to that number in all correspondence. All technical departments are required to provide written technical comments. Moreover, the Building and Construction Authority is authorized to issue a conditional building permit without receipt of all prior clearances provided the applicant submits the necessary clearance prior to project completion. While this may constitute a risk for investors, it also decreases the incentive for technical departments to delay approval. Box 17 describes the role of the building plan review meeting in the Singapore process.

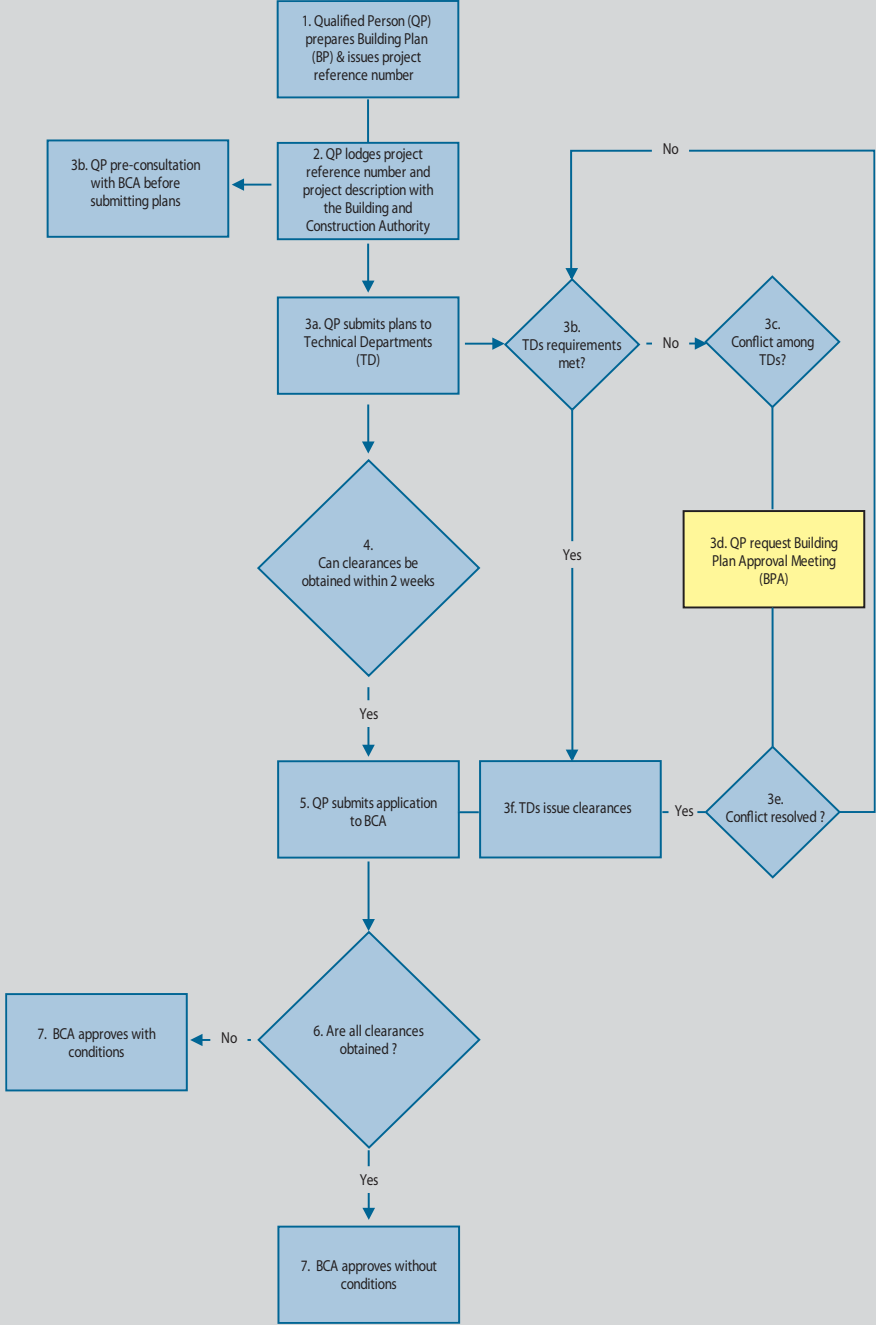
There are some pre-requisites for implementing permit review meetings. These may include:

- **A shared commitment among review agencies to participate and resolve differences:** The decision to initiate plan review meetings should come from the highest levels of departmental management to assure the necessary support for the process.
- **Delegated decision-making authority:** Departmental participants in review meetings should have sufficient authority, to make decisions and resolve issues. Lack of decision-making authority could undermine review meetings and lead to multiple meetings.
- **A commitment to preparation:** Departmental management must make sure that departmental staff are committed to preparing for meetings and making meaningful contributions.
- **Requirements of written reports and comments from technical departments:** Participating departments should be required to submit comments in writing for attachment to meeting minutes.
- **Meeting records and minutes:** Meetings should be on the record to assure reliability of representations made by participants.
- **Regular scheduling:** Many localities conduct plan review meetings at a regularly scheduled time and place, putting projects on the agenda as they complete the preliminary requirements.
- **Preliminary requirements for applicants:** Applicants should be required to prepare necessary documents for the review meeting in sufficient quantities to provide application packages to all participants. The actual requirements depend on the purpose of the meeting. A truly preliminary meeting may focus only on site planning and environmental issues, while a building permit review meeting may focus on technical plans. In any case, the documentation should be sufficient for the purpose of the meeting.
- **Time for preparation:** All participating departments and customers should be given adequate notice and time to prepare for meetings.

BOX 17 Role of the Construction Plan Review Meeting in Singapore

Activity	#
Qualified Person (QP) prepares plans and issues the Project Reference Number.	1
QP lodges Project Reference Number and project description with the Building and Construction Authority (BCA).	2
QP may consult the BCA on requirements and apply for waivers. BCA gives written advice.	3
QP submits plans to technical departments (TDs) for their advice and clearance. TDs issue written instructions within the agreed time frame.	3a 3b 3c
If there is a delay in obtaining any clearances or a conflict in the requirements of different TDs, QP may request BCA to schedule the case for the bi-weekly Building Plan Approval (BPA) meeting.	3c 3d 3e
QP assesses whether clearances can be obtained in two weeks.	4
After clearances from TDs are obtained or likely to be obtained within the next two weeks, QP submits formal application to BCA. The full set of Development Control (DC) plans is NOT required, but the QP must declare that BP does not deviate from DC requirements.	5
BCA registers the application. BCA checks whether QP has submitted all clearances.	6
If all clearances are submitted and BCA requirements are complied with, BCA approves the application within one week from the date of submission. If all clearances are not obtained, the BCA may issue the permit conditionally.	7

Diagram



BOX 18 Plan Review Meetings in the US

Some form of formal plan/permit review meeting has become standard practice in cities throughout the US today.

In *Phoenix, Arizona*, both pre-submission and post-submission meetings are held. The pre-submission meeting is held with the project team leader, staff of city departments, and the customer to review the project, time lines, plans, identify development challenges and opportunities and outline Building Code issues.

A project may proceed to the next step only when plan elements are complete and all issues have been resolved at this meeting. The customer then submits the preliminary plans and associated documents to the building department central log-in facility, where plans are then routed to all departments, agencies, and utility companies for review and comments.

The building department's staff then develops a report and marks up the preliminary plans, documenting the conditions for final approval. The applicant is then contacted by the building department for the preliminary review meeting, which may be optional or required, depending on the scope of the project and comments received during the staff review.

At the preliminary review meeting staff, invited neighbors and the customer meet to discuss the submission, review the staff report outlining conditions of approval, mark up the site plan and associated documents. Staff will present details that will assist the customer to develop the final construction documents.

In *Lexington, Kentucky*, the building department implements a plan review board meeting each Tuesday at the same hour at which representatives of all reviewing agencies are present. Applicants can make their preliminary submission to each of these representatives and receive immediate feedback on any additional information or corrections that may be necessary for resubmission and approval.

In *Forsyth County, Georgia*, reviewing agencies are given a 15-day review period for each application, and the applicant or a representative is asked to attend a plan review meeting held each Tuesday to collect comments from the various reviewing departments. Applicants are required to sign in between 8:30 am and 9:00 am in the designated meeting room and are called into the plan review meeting on a first come, first serve order according to the sign in sheet. The reviewer's comments and concerns must be addressed in order to obtain plan approval. Only if there are no comments, can the applicant then apply for the permit immediately.

5 Electronic Permit Systems

Permit tracking systems (PTS) are electronic systems that allow localities to accept, process and keep track of applications for permits and licenses, and are widely used for land use and land development permits. Automation and integration of permit processes through PTS electronic technology promises great strides in achieving administrative efficiency and reducing time and costs for government and investors.

"New technology underpins regulatory best practice around the world. Technology makes compliance easier, less costly, and more transparent."

Janamitra Devan, Vice President for Financial and Private Sector Development for the World Bank Group, November, 2010.

Electronic PTS can simplify and accelerate permit procedures starting with the application and continuing through to the completion of a project. The benefits of these systems are generally accepted to include:

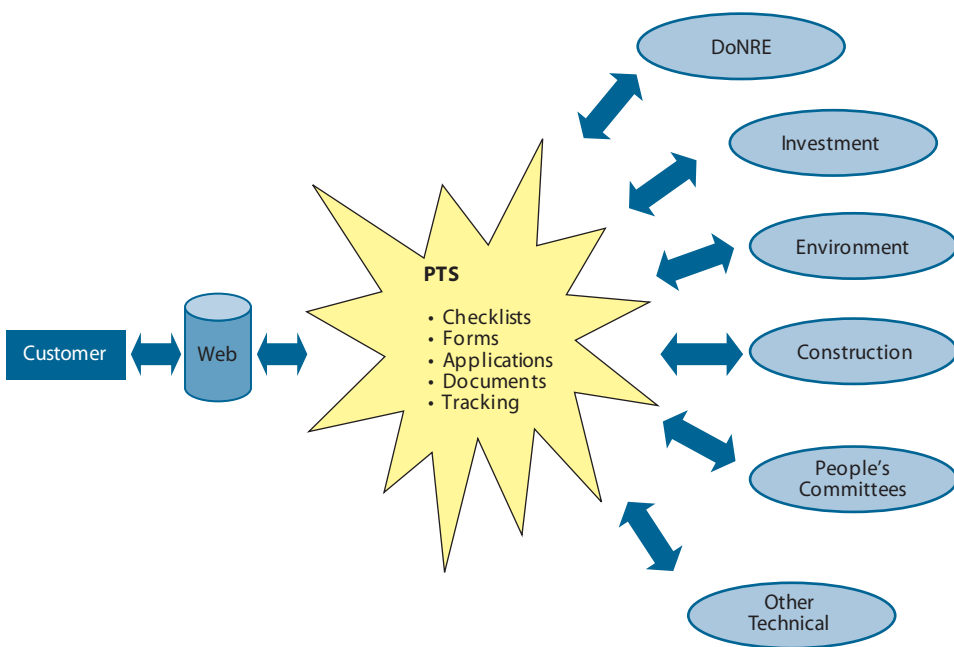
- Fewer procedural steps as communication is more direct and there is no need for file transfers, receipt of applications and manual conveyance of information.
- Support for parallel processing by simultaneous submission of standardized documents to multiple agencies.
- Enhanced management information allowing the monitoring of inputs and outcomes to meet departmental service quality standards.
- Support in handling simple clerical operations to free human resources for more complex work, which helps shorten processing times.
- Removal of geographical constraints as information can be freely transferred on a wider scale without the need for face-to-face contact.
- Creation of the "virtual" OSS – with electronic technology the concept of posting staff in specific geographic locations becomes irrelevant.
- Improved record keeping and access to document archives.
- Improved communication with applicants and better customer service.
- Improved communications between municipal departments, resulting in better decisions.

5.1 Basic Features of Permit Tracking Systems¹⁹

PTS are available “off the shelf” from many vendors and offer a wide range of features, from simple to advanced systems. The choice of systems may depend on the locality, the volume of permitting business and the complexity of transactions and the permitting system. The basic features of all systems typically include:

- **GIS interface (Geographic Information System):** Most systems allow users to determine spatial relationships of the land plot that is the subject of the application. This may require integration with an existing GIS parcel data system or development of a new GIS system.

FIGURE 13 The PTS System Serves Customers and Service Providers



19 This discussion is based on a survey of available PTS systems carried out in the US by the Massachusetts Association of Regional Planning Agencies for the benefit of Massachusetts localities. See Automated Permit Tracking Software Systems: A Guide for Massachusetts Municipalities, June 2007.

- **Parcel or project based records:** Systems can organize information by applicant name, project name or by land parcel. Organization by land parcel assumes the use of unique parcel identification numbers in the local land information and registration system.
- **Flexible reports:** Many systems allow for the creation of a wide range of reports in different formats and allow users to design reporting formats suitable for their departmental needs. The reports incorporate information stored in the database. Reports may range in complexity from simple spreadsheets to very complex text documents with images.
- **Additional modules:** Many systems allow for the add-on of additional modules that can integrate the work of several government departments into a single software system. Typical additional modules include: building permits, construction inspections, building code enforcement, roads and sanitary systems, property tax, public asset management and human resource management.
- **Automatic fee calculations:** Fee calculations allow staff to quickly calculate fees based on project data entered into the system.
- **Intra-departmental permit tracking:** All systems allow determination of the status of an application at any point in time.
- **Inter-departmental permit tracking:** This function allows comparative assessment of departmental performance by determining which departments have completed reviews of applications or documents and measuring performance times across departments.

BOX 19 Enhancing the One-Stop Shop with Permit Tracking System for Building Permits in Nashville, Tennessee (US)

The Department of Building Codes Administration in Nashville, Tennessee [US] administers the locality's land use regulations and also issues building permits and occupancy certificates. It, thus, became an "umbrella" agency for administering the entire permit process.

The various municipal departments and agencies with an interest in the permit process (Public Works, Water Services, Fire Marshal, Health Department, Historic Commission, Planning Commission and others) have been linked electronically through a common computer program and database to facilitate the processing of permit applications. This process is commonly referred to as "permit

tracking". It is through this common tracking system that municipal departments and agencies freely share access to the permit process, administered at the Department of Codes Administration.

To further facilitate the effective delivery of services in processing applications for building permits and for customer convenience, departments which have the greatest input into the permit process have located "outposts" of their own departments at the offices of the Department of Building Codes Administration, known as "One-Stop Shops." More than 87% of all permits issued by the department are issued during a single visit to Nashville's One-Stop Shops.

Source: <http://www.nashville.gov/codes/services.html>

5.2 Intermediate Features of Permit Tracking Systems

Larger localities with greater volumes of permit activity may require additional features commonly found only in more advanced systems. These include:

- **Web interface:** Perhaps the most important feature, on which other important features such as electronic applications and customer permit tracking depend, is a web interface. Web interfaces allow staff and the public to view information within the system and/or submit data to the system over the internet.
- **Automated document distribution:** This allows staff to forward documents to each other and to "flag" a document to alert another staff member that a document is awaiting his/her review.
- **Automated date reminders:** Remind or warn staff of approaching deadlines for action on applications and remaining tasks.
- **Application status checking:** Many systems allow the public to check the current status of their permit application through the internet, relieving the staff of the time burden of handling direct inquiries.
- **Problem tracking:** Systems allow staff to flag applications and documents that need additional information or review prior to final approval.
- **Approval tracking:** Allows staff to determine which departments or individuals have approved applications or documents.
- **Scalability:** Scalability allows systems to accommodate more users and information without the need for major software system modifications. This is necessary for localities that predict future growth in demand.

5.3 Advanced Features of Permit Tracking Systems

Advanced system attributes may be only necessary for large communities with high volumes of activity. Some modern systems are entirely web-based, meaning that all permit review functions are performed entirely through the departmental website to which both staff and customers have access. Examples of advanced PTS features include:

- **Document annotation:** Allows staff to make notes on electronic documents (text files, spreadsheet files, PDFs, CAD files and image files) submitted for review.
- **Online application submissions:** Online application submissions enable the public to submit permit and plan review applications over the internet. With online submissions, the public enters application information at the website and the information is directly stored in the system database, awaiting review. It allows staff to quickly focus on reviewing and responding to applications, rather than managing the time-consuming process of manually entering applications into the system. Online application submissions are typically accompanied by online document submissions, which allow the submission of supporting documents in electronic format over the internet.

BOX 20 Electronic Submissions in Singapore

The Singapore Building and Construction Authority (BCA) since 2005 has required all building permit applications be electronically submitted through the eCoronet system operated by the BCA. “Qualified Persons,” who are licensed architects and engineers, are required to use the electronic system.

The eCoronet system also permits the submission of plans to other technical departments for review at the same time, including the Fire Safety & Shelter Department (FSSD), Central Building Plan Unit, Pollution Control Department, Land Transport Authority, Land Transport Authority, Vehicle Parking (LTA, VP), Land Transport Authority, Rail (LTA, Rails), National Parks Board, Ministry of Education and Preservation of Monuments Board.

Prior to the submission of the request for a building permit the applicant must obtain planning approval from the Urban Redevelopment Authority, which also operates a totally electronic submission facility. Requests for planning approval and building permits may be submitted simultaneously. All application forms and required documentation for the electronic system are standardized and the same for each recipient technical department.

5.4 Costs of Permit Tracking Systems

Many factors enter into the cost of implementing PTS. These include:

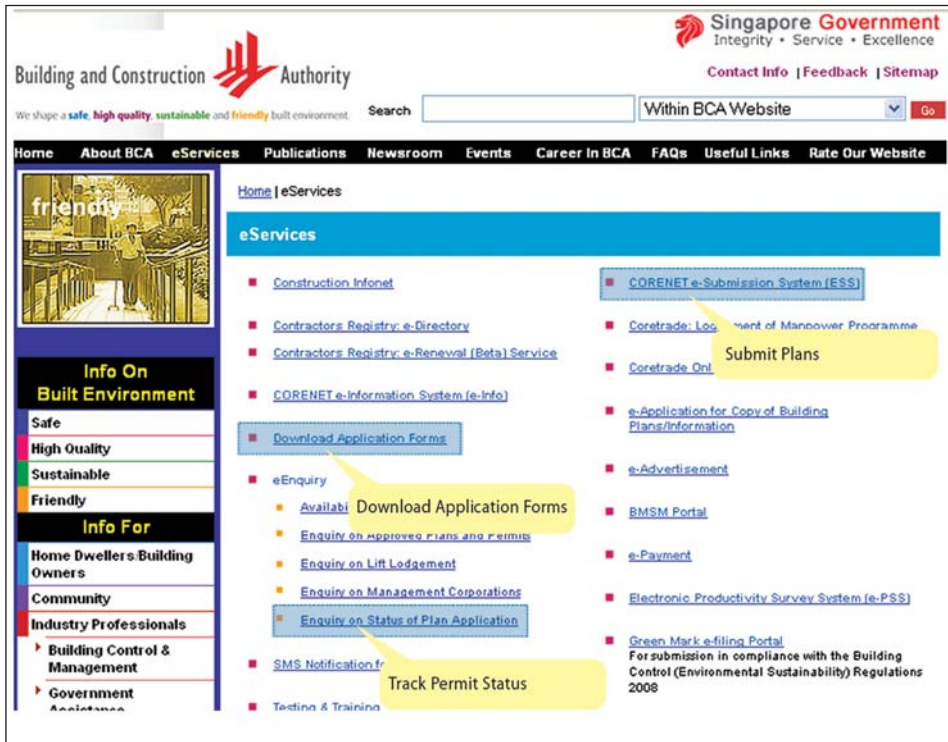
- The choice of system attributes and modules.
- The number of agencies integrated into the system, which will affect the number of system users and licenses needed.
- The quality of the locality's E-government operating system and whether upgrades are needed.
- The choice to integrate permit tracking with a GIS system.
- The locality's ability to adapt software systems with in-house human resources or its reliance on outside vendors.
- If the system is web-based, whether the system is hosted and maintained internally or by an outside vendor.
- Whether fees can or should be charged for public access to certain system functionalities.

It is important to keep in mind that these systems are designed to reduce time and costs so there may be savings that offset direct costs. For example, savings might be achieved particularly in staff time for preparing reports, calculating fees and dealing with customer inquiries, depending on the capabilities of the system. Savings are also possible from decreased need for inter-agency communications in person by telephone, again depending on the system's capabilities. These savings have the potential to be long term and significant and should be considered when estimating total costs.

Immediate costs of acquiring and implementing available systems "off the shelf" – that is a standard program available for sale from a vendor and not a unique proprietary system developed for a locality – can range from \$3,000 to \$250,000 depending on the number of user licenses and number of functions. The low figure accounts for a basic system with one to five users and the high figure represents an advanced system with a large number of licensed staff users.

In addition to the up-front direct costs, there may be costs associated with system maintenance, servicing and upgrading, which can be from 15%-20% of the initial system cost per year. It should be noted that these estimates are based on systems available in developed country markets and local pricing of the same systems may be lower or higher. Alternative systems developed by domestic firms in emerging markets may be available at better prices.

FIGURE 14 Construction E-Services in Singapore



Visit <http://www.bca.gov.sg/eServices/eservices.html> for more information.

6 Provision of Information

Public administration reform experience from Vietnam and the world indicates that information plays a vital role in successfully adopting a new mechanism and creating practical benefits to public service providers and investors. Moreover, the best performing public sector transformation projects show that communications and information strategies include not only the transmission of information to the public, but also horizontally to other government agencies and personnel of the implementing agencies to help them understand the reform context, needs, benefits and future implications.

A key requirement to developing an OSS system for investment, land and construction, plus other procedural or rules changes to land administration and building processes, is to provide information about related procedures in a more comprehensive and systematic fashion to each of several targeted stakeholder groups. Sound information helps stakeholders understand the procedure workflow, steps to be taken by them, where to go to for specific procedures to be processed and many other important aspects of the process. This allows stakeholders to be better prepared when tackling procedures at relevant public service providers.

For most types of public service transformations, including implementing new legislation and policy, redesigning internal workflows or introducing new methods and technologies to a specific government department, an “information and communications strategy” is a frequently recommended tool to convey the change to an organization and the people it will impact on. For example, a communications strategy helps to identify information flow targets, the type and level of detail and sophistication of information to be developed and the formats and information channels to deliver the information. The communications strategy is a guide from which a plan to provide a further breakdown of detailed tasks based on strategy content can be developed.

6.1 Key Components in the Development of a Communications Strategy

The following key components may have to be addressed in the development of a communications strategy.

- ❶ **Target Audience Analysis:** A target audience or stakeholder analysis would identify the stakeholders or constituencies to whom the flow of information would be directed. It would analyze these audiences in terms of needs and interests.

The level of communications needed for a member of the consuming public, which can be expressed in media advertising or simple brochures, is not the same as the level that would be directed to primary users of the new system such as design and construction professionals who need more detailed technical advice and procedural maps.

Similarly, the needs and access to media of primarily urban and rural audiences may be very different. The analysis must determine the ability of offices of service providers to access different levels of media.

The general outline of the target audience would likely include the following:

- The general public
- Industry professionals, including investors, financiers, designers and construction professionals
- Political leadership
- Other government departments and agencies
- Staff of the implementing agency.

- ❷ **Key Content:** The information’s content should be tailored to the needs of the audience.

A good information program conveys not only the technical information necessary to permit system users to navigate the system, but also the background, justification and benefits of the change. An information program can help to build constituencies for the proposed reform and provide technical education.

- ③ **Choice of Communications Channels:** There are many ways to deliver information and the choice of media can affect success.

The ways of transferring information need to be diverse and relevant to the volume and content of the provided information to make sure the intended audience gets easy access to it. For example, exclusively providing information over the internet could exclude investors and small enterprises in remote areas.

The choice of delivery media should be tailored to the needs of the target audience. Information channels may include:

- **Posting at the offices of the relevant state agencies:** This is the simplest means of distributing information to the public and is required by law in many countries. The posting of information is likely to be a poor means of communicating complex information relative to printed guides and manuals. But, it could be helpful as a checklist of the required content of application packages and guide the flow of work within an agency office for the benefit of office visitors.
- **Internet/websites:** Today agency websites serve as a primary information source – a place to direct, inform and guide stakeholders and facilitate submission of applications. Websites maintained by land administration and building departments are commonplace. Even if web-based information reaches a relatively small part of the population at this time, this part of the population engages in a disproportionate share of development activity and real property transactions. Moreover, there would be “multiplier” effect in the sense that practically every locality now has at least some access to internet technology.
- **Agency publications:** These include brochures, leaflets and procedural manuals. Many advanced jurisdictions print and provide to citizens and businesses (often for a nominal price to cover costs) complete compendiums of laws, regulations and forms affecting the process. Some agencies issue frequent “practice notes” and technical guides (see Box 19) that clarify and explain changes and steps that will be taken to address issues that arise. This approach sets out the policy and avoids the need to explain it on a case-by-case basis.
- **Dissemination of information via mass media:** This includes radio, newspapers and television. The mass media can be a good channel for delivery of the background, general outlines of changes and a means of developing a constituency for change. The media can spur people to seek more information and show where it can be obtained. A broad spectrum of media should be considered and include not only typical public media, but also trade and professional journals and newsletters.

- **Seminars, roundtables, workshops and participation in trade and civic forums, including local government meetings and hearings:** Public forums, organized either by the service provider or stakeholders, can be a useful means of disseminating information to the user community and obtaining community feedback.
- **Mailing lists:** One of the challenges of a good information program is to ensure that key stakeholders are kept apprised of changes to procedures, rules and interpretations, saving them and the service provider time and resources. This is often accomplished by formal announcements in official legal and governmental gazettes subscribed to by industry professionals and other interested stakeholders. Some localities maintain mailing lists and provide notices of regulation or policy changes to professionals and businesses on the list. This is also often done by electronically via email lists.

BOX 21 Tailoring the Information to the Needs of the Audience

The US Department of Housing and Urban Development maintains a system of publications directed specifically to the topic and the target audience consisting of:

- **Handbooks:** Technical procedure manuals that provide specific steps, submission requirements and forms for all programs and applications. These are binding instructions for applicants and program users.
- **Guidebooks:** Technical discussions of “best practice” in program implementation, more in the nature of suggestions and recommended practice.
- **Notices:** Instructions to agency staff concerning interpretation and implementation of program regulations, provided to the public to advise on how their applications and submissions will be treated.
- **Letters:** Specific responses to inquiries from the public regarding interpretations of agency regulations considered to have a general applicability and precedential value.
- **Bulletins:** Technical advisories specifically pertaining to issues of building materials and methods applicable to state supported housing programs.

Most of these are provided and accessed via the web today, but at one time were made available in printed format through mailing lists subscribed by industry professionals, or were supplied on request at agency offices.

The Hong Kong Building Authority regularly publishes “Practice Notes” for industry professionals divided into specific content areas, primarily procedure and forms manuals and advisories on changes to, or interpretations of, existing regulations based on recent experiences or specific inquiries.

These are detailed and sophisticated regulatory instruments, as opposed to the many brochures, leaflets and videos the agency publishes for the general public on its operations and programs, designed to provide a guide to public interactions with the authority.

In each of these cases the information is made accessible through various index systems that facilitate locating the material by name, content, year of publication and publication number. Publication numbering systems are designed to allow easy identification and tracking of changes and amendments to the original publication, particularly important for binding regulations, policy documents and interpretations.

- ➊ **Monitoring and Evaluation of Communications:** Outputs and outcomes of a communications strategy can be tracked with the aim of refining content and strategies.

One key aspect of the information program should be to obtain recipients’ feedback regarding whether the information provided is clear, accurate, comprehensive and is a useful guide to action. Periodic user surveys or other means of stakeholder feedback specifically regarding the quality of communications materials should be included in any overall agency monitoring and evaluation program.

6.2 Posting Information at the Office

For the time being, many potential system users may lack access to more advanced media sources and forms of electronic communications. For those customers, the office visit will be a key and initial source of information. Moreover, the way information is presented at the office can facilitate operations by avoiding unnecessary inquiries, false starts and other activities that consume the time and

resources of the office and customer. Needless to say, the clear and concise presentation of information in the office environment enhances the customer's perception of the quality of public service.

Some considerations to keep in mind when organizing the presentation of information in the office include:

- If the posted information is either too cursory or too heavy, investors may find it hard to digest in detail and will be forced to seek hands-on guidance from public service staff, placing a greater burden on resources. In general, the exclusive posting of detailed technical material may fail to educate the general public without more accessible guides (see Figure 15). Documents, leaflets, booklets presented in an easy-to-understand, easy-to-read format will be useful for investors to take home and study.
- Information posted in inaccessible, inconvenient and hard to reach places is a burden for customers. Outlining procedure information in a concise way and in conspicuous positions helps investors find the correct places to lodge applications that will be received and processed by the OSS (see Figure 16).
- Concise posted information and easy to view workflow diagrams at an OSS helps investors view a complete picture of procedures of interest (see Figure 17).
- To provide detailed guidance to investors on how to register and prepare applications, apart from having designated personnel in place to give assistance and answers in person at an OSS, printed forms with detailed guidance on specific items and/or sample filled-out application sets can be placed in boxes for investors' reference.

FIGURE 15 Things to Be Avoided when Posting Information



Information posted on A4 paper in separate sheets or thick stacks at a low position as shown in Figure 15 is unlikely to be completely read due to time constraints. If the waiting seats are occupied, the information posted on the board will be more difficult to read.

FIGURE 16 Location of a Sign Post to Guide Investors to the One-Stop Shop, Ba Ria-Vung Tau Province



This sign post is placed near the parking space at the lead-agency OSS for investment, construction and land at the DPI of Ba Ria-Vung Tau Province. Investors, after parking their vehicles, can easily find the correct room to lodge files and undertake procedures.

FIGURE 17 Workflow Map Posted at the One-Stop Shop, Thai Nguyen Province



A large information board has been fixed to the wall of the DPI's OSS for investment projects in Thai Nguyen Province. This chart displays the workflows and procedures, in diagram form, that investors will encounter. Each graph illustrates the workflow for a different case, including development projects

using land outside IZs and industrial clusters, from land use rights transfer or land requiring site clearance. Information presented in this manner is easy for investors to consume.

6.3 Provision of Information via Printed Materials

For many people, the procedural manual, brochure or leaflet made available at the municipal office will be the main source of information on rules and procedures. Most people will not have the ability or patience to work through the contents of formal technical guides or manuals needed and preferred by industry professionals.

Based on a review of the best current efforts in producing printed materials for land development and investment procedures, it is possible to identify some “best practice” elements, most of which are common sense elements of good communications in any context:

- **Plain language:** The use of plain, non-technical language is essential to communicating with the public. Technical language, professional or industry jargon and complex concepts are to be avoided.
- **Brevity:** The objective of public communications is to provide a “big picture” and facilitate the objectives of the customers while at the same time reducing the burdens on the service provider. This does not require extensively detailed materials and anticipation of all possible contingencies and nuances of the process. Some guidance from service providers is to be expected during actual interactions with customers.
- **“One picture is worth a thousand words”:** Clear diagrams and other visual aids are perhaps the most effective means of communicating procedural steps and requirements to customers.
- **Clear organization and headings:** Presentation of information in succinct packets with clear headings indicating content assists the customer to navigate through the material and focus on specific needs and questions.
- **Logical flow of information:** Information should be presented in a logical flow, with procedures and events that occur earlier in time presented before those that occur later. Steps, which are prerequisites to further steps, should be presented in the order in which they will occur.

Figure 18 provides excerpts from an investor's guide to procedures for land access and development permits developed by Bac Ninh Province's DoC, DoNRE and DPI in cooperation with IFC. The concise handbook uses a large variety of diagrams and basic colors to highlight different procedural steps and has four main parts:

- *Part 1. Overview*, gives investors an overview of the whole process and procedures for investment and constructions in the province and guides investors through how to seek information, prepare applications, lodge applications and receive outcomes.
- *Part 2. Procedures and Formalities for Investment and Construction*, gives detailed guidance on how to undertake individual procedures, including workflow, documents to prepare, processing times and agencies involved in the process.
- *Part 3. Points to Remember when Preparing Applications*, tells investors what to avoid when preparing applications and procedures.
- *Part 4. List of Related Legislation*, provides a list of legislation at national level (Laws, Decrees, Circulars) and sub-national level (such as those issued by Bac Ninh PC), often the implementing documents to national legislation.

In addition, the handbook includes a Contact Information section, which lists provincial and district agencies involved in the procedures, with postal addresses, telephone and fax numbers and blank pages at the end of the book for users to take notes or update any recent changes to normative documents.

FIGURE 18

Handbook Guide to the Process and Procedures on Land Access and Development Permits outside IZs, Bac Ninh Province

		<p>CONTENTS</p> <p>Introduction 5</p> <p>Abbreviations..... 7</p> <p>Part 1: Overview..... 9</p> <p>1 Overall process map..... 9</p> <p>2 Preparation of application files..... 10</p> <p>3 Help desk and receipt of applications..... 10</p> <p>4 Receiving outcomes..... 10</p> <p>5 One-stop shop..... 10</p> <p>6 Agencies involved in the process..... 11</p> <p>Part 2: Procedures and Formalities for Investment and Construction..... 13</p> <p>1 Site selection, provision of zoning information and notification of land recovery..... 13</p> <p>2 Consultation on the basic design (Categories B and C)..... 15</p> <p>3 Appraisal and approval of environmental impact assessment..... 17</p> <p>4 Acceptance of the environmental protection commitment..... 18</p> <p>5 Investment registration for investment certificate..... 20</p> <p>6 Investment evaluation for investment certificate..... 22</p> <p>7 Land allocation, land lease (in case land recovery, compensation, assistance and resettlement are required)..... 24</p> <p>8 Land allocation, land lease (in case of land recovery without the need for site clearance)..... 27</p> <p>9 Conversion of land use purpose (in case land recovery is not required and the investor acquires land use rights through transfer and has land use purpose converted)..... 29</p> <p>10 Certificate of land use rights and ownership of houses and other assets on the land..... 32</p> <p>11 Construction permits..... 33</p> <p>Part 3: Points to Remember when Preparing Applications..... 37</p> <p>Part 4: List of Related Legislation..... 43</p> <p>1 Investment-related legislation..... 43</p> <p>2 Environment-related legislation..... 44</p> <p>3 Land-related legislation..... 45</p> <p>4 Construction and zoning-related legislation..... 46</p> <p>Contact Information..... 48</p> <p>Notes..... 50</p> <p>3</p>
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HANDBOOK

Process and procedures for investment and construction by businesses in areas outside industrial parks in Bac Ninh province

(in line with Decision No.165/2009/QĐ-UBND, dated November 27, 2009)

PROCEDURES AND FORMALITIES FOR INVESTMENT AND CONSTRUCTION

HANDBOOK

PART 2

PROCEDURES AND FORMALITIES FOR INVESTMENT AND CONSTRUCTION

Step 1 **Step 2** **Step 3** **Step 4**

You are here

1 Site selection, provision of zoning information and notification of land recovery

The purpose of the site selection procedure is to get the PPC's approval to have the investment project initiated at a site chosen by the investor or one recommended by the lead agency. The investment and construction at this site must be in line with the local socio-economic development and zoning plans.

The purpose of the zoning information provision procedure is to provide investors with information related to land use, regulations concerning infrastructure systems, architectural design, safety, fire and explosion controls; environmental protection and other requirements. The information will help the investor prepare and implement the project in accordance with the approved zoning plan.

Applicable to

- ✓ Investors with investment projects in need of recommended sites for the projects.

Lead agency for the application or procedure

- ✓ DoC.

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Participating agencies

- ✓ PPC Office.
- ✓ DPC where the project is to be implemented.
- ✓ Other relevant participating agencies (where needed), including the DoNRE, DPI and line departments for specialized projects.

Approving agency

- ✓ PPC.

```

graph LR
    Investor[Investor] --> Lodge[Lodge applications]
    Lodge --> OSS1[OSS of the DoC]
    OSS1 --> DoC1[DoC]
    DoC1 --> Related[Related agencies]
    Related --> DoC2[DoC]
    DoC2 --> PPC[PPC]
    PPC --> DoC3[DoC]
    DoC3 --> OSS2[OSS of the DoC]
    OSS2 --> Deliver[Deliver the DoC outcomes]
    Deliver --> Investor
    DPC[DPC] --> DoC3
  
```

Workflow

- ✓ Investors may seek information and lodge applications at the OSS of the DoC.
- ✓ The DoC is the lead agency handling the applications and reporting to the PPC for approval. Once approval in writing has been granted by the PPC, the DoC shall notify the related DPC and prepare zoning information to be provided to the investors.
- ✓ The investors shall receive outcomes at the OSS of the DoC on the scheduled date.

Application file

01 set of application files, comprising:

Quantity (Qty)	Type
01	Original

- 1 Letter of request for site selection (describing purpose of the project, type of investment, invested capital, investment scale, funding sources and implementing schedule).



Timeline

- ✓ 23 working days (for areas with detailed zoning plans).
- ✓ 30 working days (for areas without detailed zoning plans).

Outcomes

- ✓ Approval in writing for the site selection by the PPC Chairman and zoning information on the site provided by the DoC.

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PROCEDURES AND FORMALITIES FOR INVESTMENT AND CONSTRUCTION	HANDBOOK	
<p>Use colors to distinguish steps. For example, all procedures in Step 2 are distinguished by the color green.</p>  <p>2 Consultation on the basic design (categories B and C)</p> <p>The purpose of this procedure is to seek comments from relevant governing state agencies on the project's design. This is done during the preparation of the project's proposal based on consideration of the relevance of the basic design against available zoning plans, linkage of infrastructure systems, application of norms, standards and any compulsory requirements related to the project. This will lay the groundwork for the next design steps.</p> <p>Applicable to</p> <ul style="list-style-type: none"> ✓ The investors shall start the consultation process on the basic design themselves when needed and evaluate and approve the project themselves. Compliance requirements, regarding government construction regulations, will be checked through construction permits and other related regulatory provisions. <p>Lead agency for the application or procedure</p> <p>The DoC or line departments for specialized projects, depending on the project types:</p> <ul style="list-style-type: none"> ✓ The Department of Industry and Trade (for mining, petroleum, power plant, power transmission grid, transformer station, chemical, industrial explosive, machinery engineering, metallurgy and other specialized industrial projects, except construction materials projects). ✓ The Department of Agriculture and Rural Development (for irrigation, embankments and other specialized agricultural projects). ✓ The Department of Transport (for transportation projects). ✓ The DoC (for construction projects in civil works, construction materials, urban infrastructure and other construction projects requested by the PPC Chairman). ✓ If projects integrate multiple types of structures, the lead department shall be one of the above-mentioned departments that is responsible for management of the structures critical to the project. 	<p>Participating agencies</p> <ul style="list-style-type: none"> ✓ Line departments for specialized projects. <p>Approving agency</p> <ul style="list-style-type: none"> ✓ Line departments for specialized projects. <p>Workflow</p>  <ul style="list-style-type: none"> ✓ The investors may conduct this procedure parallel to two other procedures in Step 2, i.e. (i) preparation of environmental protection commitment/environment impact assessment and (ii) investment registration/evaluation for an investment certificate. ✓ The investors may seek information and lodge applications as required at the OSS of the respective line department for a specialized project. ✓ The line department for a specialized project shall take the lead in giving comments and delivering outcomes to the applicant on the scheduled date at the department's OSS. <p>Application file</p> <p>01 set of application files, comprising:</p> <ol style="list-style-type: none"> 1 Request in writing for comments on the basic design (stating the reference number of the site selection approval by the PPC Chairman). 2 Project proposal consisting of the basic design and explanatory statement as specified in Article 8, Decree 12/2009ND-CP. 3 Other relevant documents, such as: <ul style="list-style-type: none"> ✓ Zoning-related documents issued by zoning authorities. ✓ Site survey report. ✓ Business registration certificate of the consulting entities in charge of the survey, project proposal preparation, designing, practise certificate of lead surveyor, designer, design manager, selected architectural option in case of a competitive contest or selection of the project's 	<p>15</p>
	<p>Qty</p> <p>Type</p> <p>01 Original</p> <p>01 Original</p> <p>01 Copy</p>	<p>16</p>

<p>POINTS TO REMEMBER WHEN PREPARING APPLICATIONS</p>	<div> <div> <h2>PART 3</h2> <h3>POINTS TO REMEMBER WHEN PREPARING APPLICATIONS</h3> </div> <div> <p>These are frequently asked questions, points for attention and common mistakes that investors should be aware of when preparing applications.</p> </div> </div> <div> <div> <p>1 Composition of application files for the procedures?</p> <p>Answer: See instructions in the provisions of Decision No. 165/2009/QĐ-UBND of Bac Ninh PPC, dated November 27, 2009.</p> </div> <div> <p>2 Are land recovery and allocation decisions of the PPC legitimate papers for land use rights?</p> <p>Answer: The PPC's land recovery and allocation decisions do not constitute legitimate documents for land use rights.</p> <p>In accordance with Decision No. 165/2009/QĐ-UBND of Bac Ninh PPC, dated November 27, 2009, investors may execute two procedures in parallel fashion, being the LURC and construction permit. As a result, the investors may lodge a land lease agreement attached with on-site land handover minutes to substantiate their legal land use rights.</p> </div> </div>
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HANDBOOK

3 How has the processing time for the procedures been shortened?

Answer: In accordance with Decision No. 165/2009/QĐ-UBND, dated November 27, 2009, the processing time for the procedures has been further reduced from the time limit specified in national legislation.

4 Any instructions on filling out forms?

Answer: See the instructions at the OSS of lead agencies responsible for the applications.

5 What are the original, copy and certified copy?

Answer:

- ✓ The original copy is the document as is, signed and sealed.
- ✓ A certified copy is one certified by a public notary as required by law.
- ✓ A copy is a photocopied version of the original.

6 Who may lodge applications and receive outcomes?

Answer: The investor (the one registered in the business registration certificate) or someone authorized by the investor (by a signed and sealed Letter of Authorization).

The processing agency will directly contact the investor or authorized person (in case of authorization) to provide updates on the status of the application.

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LIST OF RELATED LEGISLATION

HANDBOOK

PART 4

LIST OF RELATED LEGISLATION

1. Investment-related legislation

Official number	Issuing date (dd/mm/yyyy)	Issuing date
Central level		
59/2005/QH11	29/11/2005	Investment Law.
108/2006/ND-CP	22/9/2006	Implementing Decree for Investment Law.
Provincial level		
165/2009/QĐ-UBND	27/11/2009	Decision providing regulations on the process and procedures for investment and construction outside IPs in Bac Ninh province.

CONTACT INFORMATION

Agencies	Contact us
Provincial level	
PPC Office	10 Phu Dong Thien Vuong Street, Bac Ninh City ☎ 0241. 3822 472 ☎ 0241. 3822 492
Department of Planning and Investment	6 Ly Thai To Street, Bac Ninh City ☎ 0241. 3822 569 ☎ 0241. 3822 777
Department of Construction	115 Ngo Gia Tu Street, Bac Ninh City ☎ 0241. 3822 460 ☎ 0241. 3824 022
Department of Natural Resources and Environment	7 Hai Ba Trung Street, Bac Ninh City ☎ 0241. 3822 455 ☎ 0241. 3824 455
Department of Agriculture and Rural Development	8 Ly Thai To Street, Bac Ninh City ☎ 0241. 3822 500 ☎ 0241. 3854 076
Department of Industry and Trade	7 Ly Thai To Street, Bac Ninh City ☎ 0241. 3822 653 ☎ 0241. 3822 653
Department of Transport	16 Nguyen Phi Y Lan Street, Bac Ninh City ☎ 0241. 3822 416 ☎ 0241. 3822 416
District level	
Bac Ninh City PC	1 Nguyen Phi Y Lan, Bac Ninh City ☎ 0241. 3870 550 ☎ 0241. 3822 356
Gia Binh district PC	Gia Binh township, Gia Binh district ☎ 0241. 3506 518

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FIGURE 19 Handbook and Leaflet Guide to the Process and Procedures on Land Access and Development Permits, Thua Thien-Hue Province



These printed materials have a similar design to those of Bac Ninh Province. They are available in English and Vietnamese and can be downloaded at:
www.thuathiehue.gov.vn
www.skhd.t.hue.gov.vn/portal
www.sxd.t.hue.gov.vn/portal
www.stnmt.t.hue.gov.vn/portal

Figure 20 shows a similar investor guide to land access and development permits outside IZs in Ba Ria-Vung Tau Province. It includes the overall workflow and identifies which procedures can be undertaken simultaneously or sequentially and the application composition for each procedure.

FIGURE 20 Booklet on the Process and Procedures for Implementing Investment Projects outside IZs, EPZs and Hi-Technology Zones, Ba Ria-Vung Tau Province

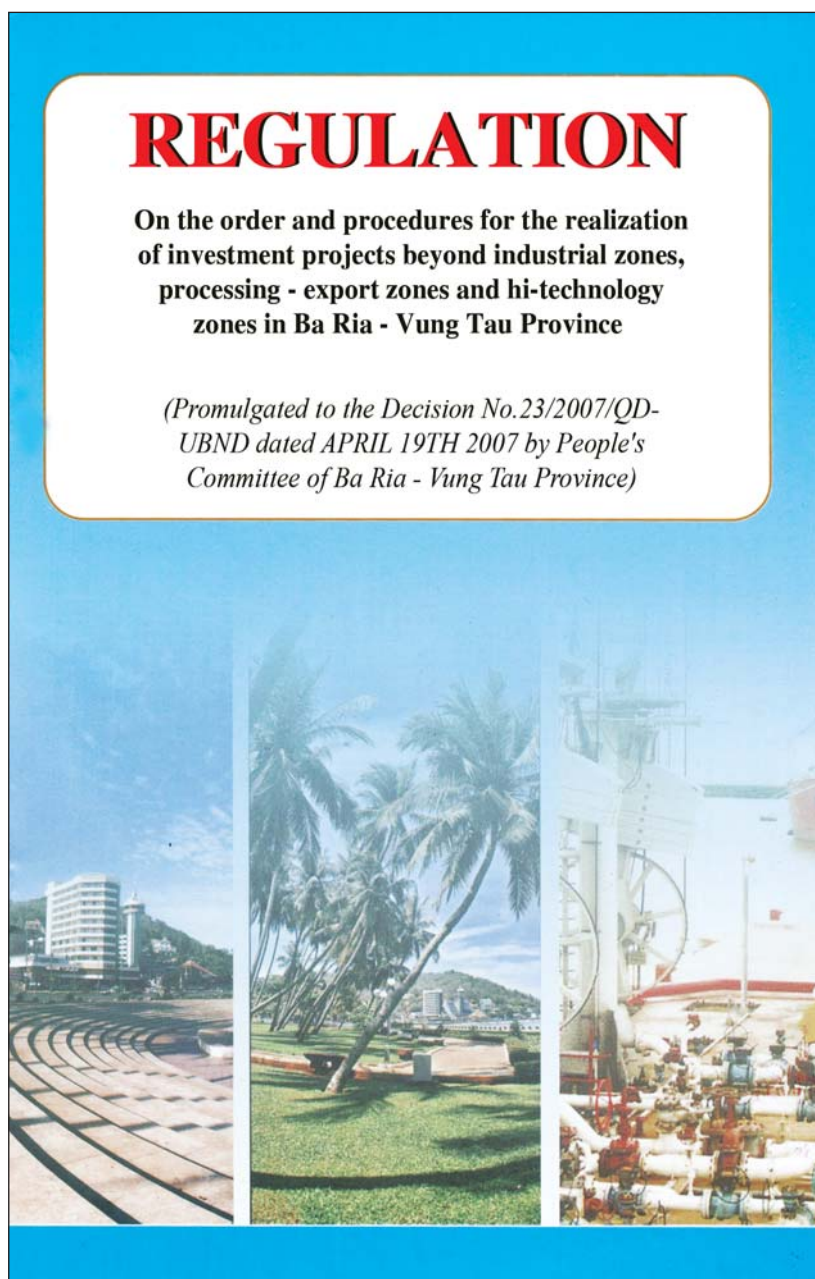
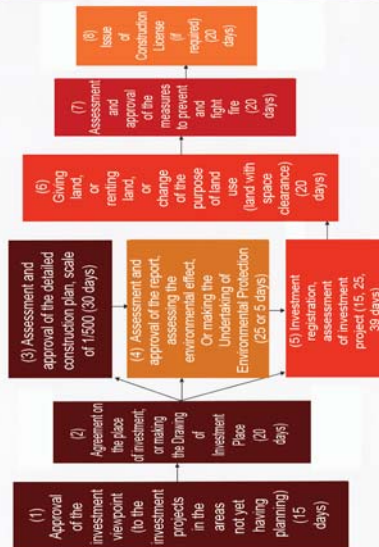


DIAGRAM FOR THE ORDER AND PROCEDURES



RECEIVING THE DOCUMENTS AND RETURNING THE RESULT

I. The investor submits the documents and receives the result at Service of Investment and planning for the following procedures:

1. Approve of the investment viewpoint.
2. Agree to the place of investment.
3. Detailed Plan 1/500.
4. Report and assess the environmental effect, or make the Undertaking of Environmental Protection.
5. Register the investment.
6. Assess and approve of the measures to prevent and fight fire.
7. Issue the Construction License.

II. The investor submits the documents and receives the result at Service of Resources - Environment:

To the documents relating to the land giving, land renting, and change of the purpose of land use..

PREPARATION OF THE ADMINISTRATIVE DOCUMENTS

The investor prepares the documents to the following orders:

1. Prepare the proposal of investment viewpoint and proposal for the place of investment, to the Form at Service of Investment and Planning.
2. Possibly prepare the following documents at the same time:
 - Make plan 1/500 (if required).
 - Make report assessing the environmental effect, or make the Undertaking of Environmental Protection.
3. Build the documents for registration of investment.
3. When having Certificate on Investment, prepare the documents for land giving, or land renting, or change of the purpose of land use.
4. Make design and documents for fire prevention and fighting.
5. Building the document for the issue of Construction License.

For a big picture, some localities provide abbreviated leaflets and handouts. Figure 21 shows a leaflet guiding land access and development permit procedures in Bac Ninh Province. The leaflet's purpose is to help investors quickly see the big picture and obtain comprehensive information about procedures, such as which procedures to undertake, which agency receives and processes the procedure, which agency makes the final decision and how long the procedure will take.

The leaflet comes in tri-fold form. The outer panel outlines key points for investors to note when looking for information and preparing applications. The inner panel provides a procedure diagram and agencies in charge respective of different procedures.

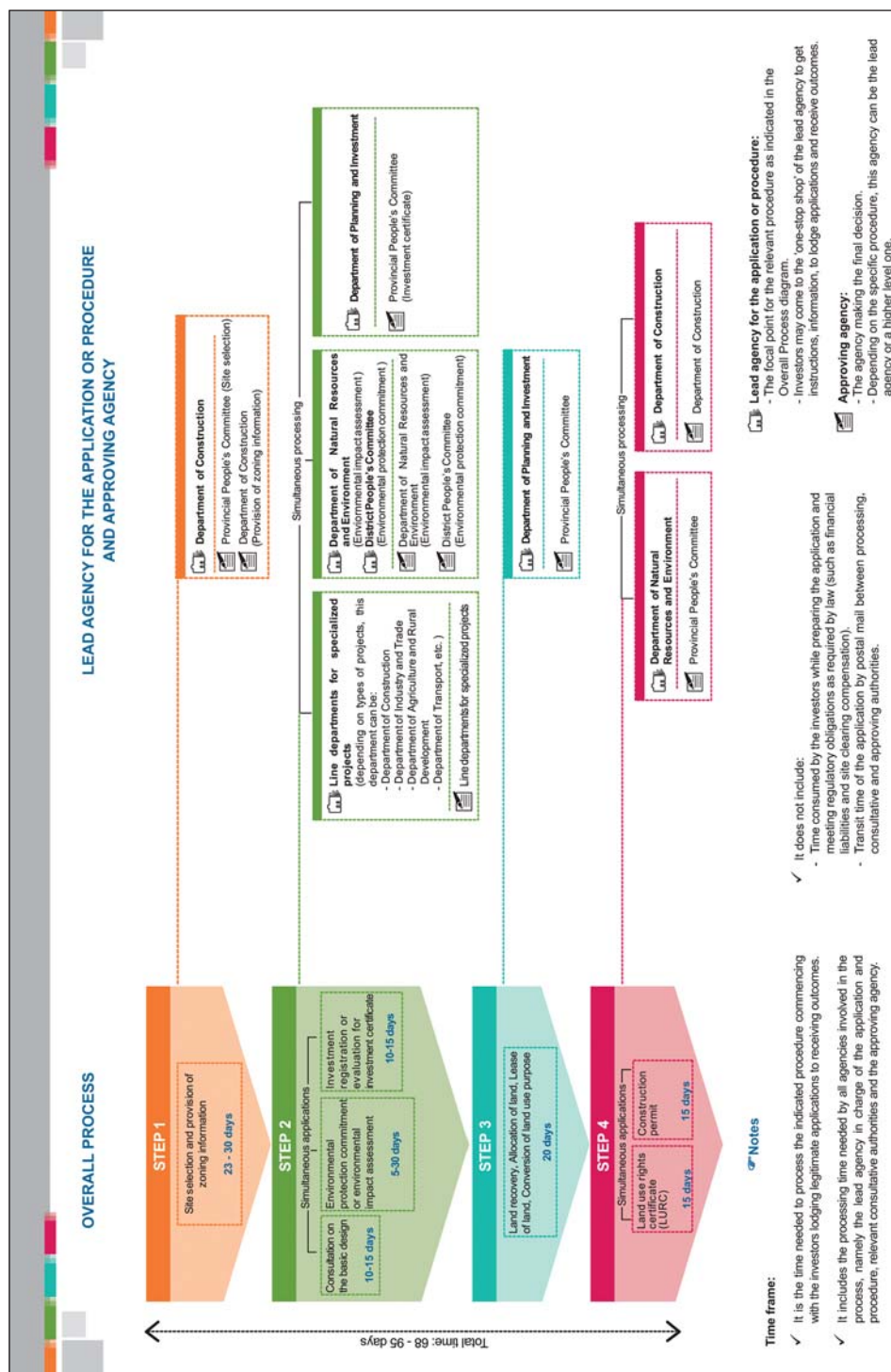
Both the handbook and leaflet are readily available at the OSS of the DoC, DoNRE and DPI or the provincial Business Association for any interested investors to pick up.

FIGURE 21

Leaflet Guide to Process and Procedures on Land Access and Development Permits outside IZs, Bac Ninh Province



Outer panel of the leaflet



To download this leaflet in English and Vietnamese visit <http://bacninh.gov.vn> or <http://soxaydung.bacninh.gov.vn>.

6.4 Dissemination of Information via a Website

Using information technology has become an effective and popular channel to disseminate information to investors today. It helps to save costs of printed materials and time of both investors and government officers for face-to-face meetings.

The centrality of electronic communications to modern governance requires that special attention be given to the use of these techniques. The benefits of clearly designed websites allowing for easy access and navigation are increasingly being understood by many localities due to current local E-government initiatives in Vietnam. Aside from the physical appearance and functionalities of a site, a review of progressive global city public service websites offers best practice tips in designing website content. The sites' usual content includes:

- Description of the agency and its functions
- Agency performance standards and commitments – “mission and vision” statements – codes of conduct – “citizens’ charters”
- Organization of the agency, including management structure and key departments with contact information
- Complete collection of current and effective agency laws, regulations, instructions and guides, organized by easily used indexes and classifications (e.g. number, year of issuance, topic, etc.)
- New policy announcements, interpretations and regulations
- Collection of public communications - pamphlets and brochures
- Complete collection of agency forms
- Descriptions and procedural/workflow diagrams for submission of applications
- Facility for submission of applications (including building plans) (see Figure 21)
- Frequently asked questions
- News and new developments
- Office locations and contact points
- Inquiries - “Contact Us”
- Feedback and comments (including complaints)
- Links to documents and websites of related agencies.

There are many examples of successful websites for land administration and building agencies that can be accessed as models. Some of these include:

Hong Kong Building Authority http://www.bd.gov.hk/english/index_e.html

Singapore Building and Construction Authority <http://www.bca.gov.sg/>

City of New York Building Department http://www.nyc.gov/html/dob/html/applications_and_permits/applications_and_permits.shtml

New South Wales Land and Property Management Authority <http://www.lands.nsw.gov.au/>

City of Toronto (Toronto Building) <http://www.toronto.ca/building/index.htm>

FIGURE 22 An On-Line Licensing Service Web Page Interface, Singapore

ENTERPRISE ONE
Serving Singapore's Business Community

ONLINE BUSINESS LICENSING SERVICE (OBL)

HOME RETRIEVE DRAFT CHECK STATUS MAKE PAYMENT LOGIN HELP

apply new update renew terminat

Progress Bar

START SELECT LICENCES SUBMIT SINGPASS ENTER GENERAL INFORMATION FILL LICENCE FORMS SEND OUT APPLICATIONS END

This is a step-by-step workflow of an on-line licensing application. Circle No.1 in green means the applicant is at the first step of the workflow and needs to go through four other steps to complete the on-line application.

Select One or More Licences to Apply

- To apply for business licences, please tick one (or more) boxes to select the relevant licences for your business.
- To remove the selected licence(s), please untick the box(es) and click on the "Next" button.
- To view your licence selection, please click on the "Refresh This List" button.

Note: For licence(s) without check box, you will be redirected to the agency's website or will be provided with a contact number for further information.

Licence Selection (Max. 10 selections)

No Licence Selected

Refresh This List

Announcement

- Eat with Your Family Day - 27 May 2011
- More Payment Modes for SPF Licences!

Industries / Business Activities **Government Agencies**

Industries / Business Activities > Entertainment, Recreation and Sports > Bars and Pubs >

Business / Company Registration

Select either one to add to cart or skip if you have registered your business/company:

- Business Registration**
Registering a business firm. [Read more...]
- Company Incorporation**
Incorporating a company. [Read more...]
- Foreign Company Registration**
Registering a branch of a foreign company. [Read more...]

You Require...

- CESS Registration**
Once your application for a First Class Public House Liquor Licence is approved with payment or if you have a Food & Bev... [Read more...]
- Food Shop Licence**
For the operation of a food shop where there is retail sale of food and/or beverage.
This form may take you 20 mins t... [Read more...]
- Public Entertainment Licence**
Unless exempted, a public entertainment or arts entertainment licence is required under the Public Entertainments & Meet... [Read more...]

Go to Agency Website

List of Licences. An applicant only needs to tick a relevant box for the licence that he/she wishes to apply for.

FIGURE 23 A Web Page in the Business Portal of the Economic Development Office, Ninh Thuan Province

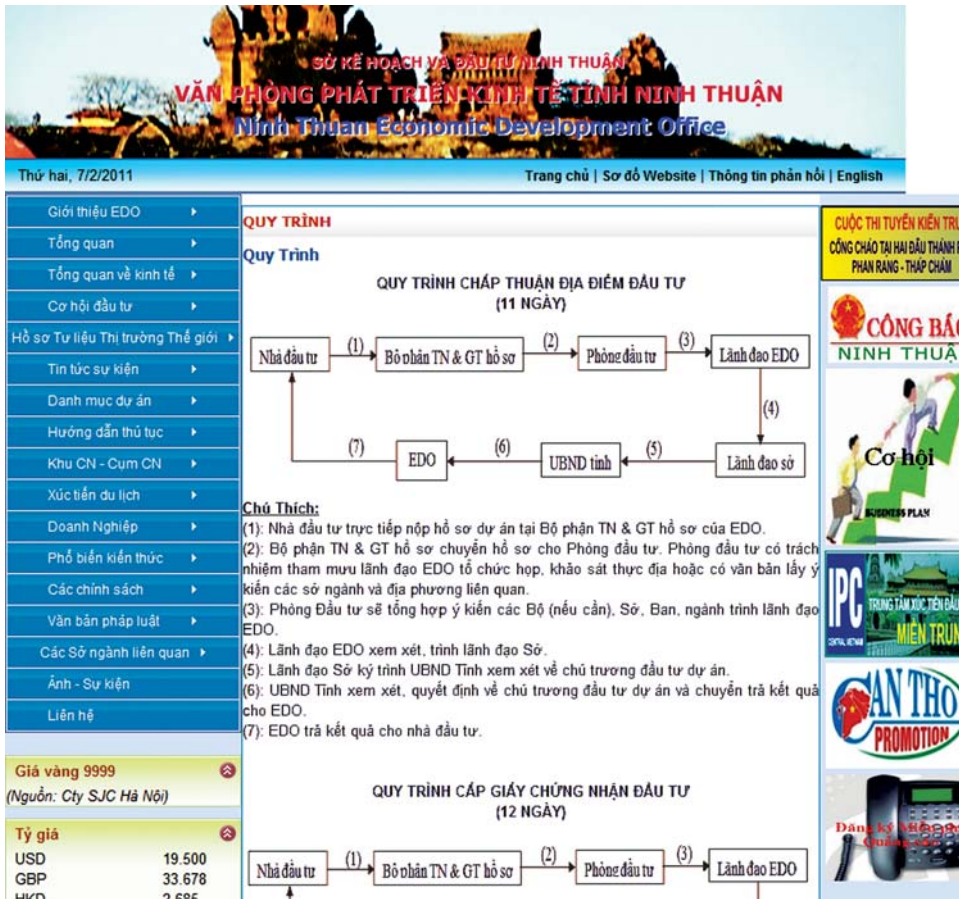


Figure 23 displays a process map for project site approval, posted on the business portal of Ninh Thuan Province's EDO (www.edoninhthuan.gov.vn). Investors can access this portal to obtain information and guidance about the process and procedures for implementing investment projects in the province.

FIGURE 24 The Business Portal of Dong Nai Province



Figure 24 displays the interface of Dong Nai Province's business portal, which is available in five languages (Vietnamese, English, Chinese, Korean and Japanese) at www.dongnai.gov.vn. This facilitates domestic and foreign investors' access to information about investing in the province.

7 Standardization and Simplification of Documentary Requirements

7.1 Standardized Documents and Dossiers

The standardization of application documentation applies to the content of documents to be submitted by the applicant and to the composition of the application dossier.

Regarding the documents, providing pre-designed forms will allow for better exchanges of information between reviewing agencies and help accelerate the pace of application processing. Pre-designed forms make it easier for applicants to understand and complete documents resulting in fewer returns of applications for amendment. Normative national level legislation is often not released in time or with templates for the necessary forms. Therefore, provincial governments should be proactive in creating and providing applicants with as many forms as possible to make application requirements clearer and easier to comply with. For example, the economic-technical explanation report can be standardized, based on the investment project document.

In developing pre-designed forms the following principles should be considered:

- All related service providers should use the forms. The forms should be prepared in a way that integrates all the information needs of agencies that use the forms. There is no pressure on agencies to use all information in the form. However, it is important all agencies find the information they need in the form. This approach will cut the volume of paper to be lodged by the applicants and the number of contact points that applicants must visit.
- The forms are designed in a simple, logical and easy to understand format.
- Examples of completed forms with annotated instructions are available to applicants.
- The forms reflect professional printing and presentation.

BOX 22 Application for Approval in Principle of an Investment Project, Thua Thien-Hue Province

Below is a sample application form for approval in principle of an investment project in Thua Thien-Hue Province (as per Directive No.5809/UBND-XT dated December 31, 2010 by the provincial PC on the process and procedures for implementing investment projects in the province). It is designed in a succinct way to help investors easily prepare and provide necessary information.

APPLICANT

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Re: Application for approval in principle of the investment projectday month year

To: Thua Thien-Hue People's Committee

Applicant:

Address/Principal office:

Telephone:Fax:E-mail: :

Represented by:Position:

ID card/Passport No:Cell phone:

Business registration certificate No:issued by:on [date].

wishes to undertake an investment project in Thua Thien-Hue Province with estimated project information below:

1. Main business line or investment project, product:
2. Location (Hue City, Huong Thuy town, district ...), project site, estimated required land area:
3. Estimated unit cost and scale of main project components:
4. Funding and funding sources:
5. Project implementing and operational periods:
6. Investment mode:
 - ☐ New enterprise
 - ☐ No new enterprise established
 - ☐ Joint venture with domestic investors
 - ☐ Joint venture with foreign investors
7. Other information (if any):

We hereby respectfully request the People's Committee to consider, assist and provide guidance to us in the process of exploring and implementing the above-mentioned project.

Thua Thien-Hue, [date]

.....
Applicant
(signature, seal)

Attachments:

- ☐ Copies of Business Registration Certificate, incorporation decision (... copies)
- ☐ Site drawings (if available)
- ☐ Reference to other projects that the applicant has been undertaking in Vietnam (if any)

For documents which are not typically attached on a standardized form, which may include a wide range of documents such as maps, site plans, building plans and financial spreadsheets, the best approach is to clearly define the required content of the document in detail so each agency's data needs are met (see Box 23). This requires minimum content be adapted to the needs of the most demanding agency using the document.

BOX 23 Instructions for Required Content of Site Plans, Ludlow Town, Massachusetts (US)

All site plans shall be prepared by person/persons registered under the Massachusetts General Laws of the Commonwealth of Massachusetts to practice architecture and/or engineering, and land surveying and shall show the seals of the architect and/or engineer, and land surveyor. All site plans shall be on standard 24" X 36" sheets at a scale of 1 inch²⁰ equals 40 feet²¹, with additional narrative as necessary:

- a. Provision for adequate drainage of surface water from paved areas. Use of landscaped areas to provide such drainage to relieve storm drainage systems is encouraged. The piping for the storm water drainage systems shall be designed using the 10-year storm curve for parking area drains and the 25-year storm curve for culverts over existing natural waterways and retention areas.
- b. Existing and proposed vegetation. Such vegetation shall be indicated by:
 - (1) Type and location (whether woods, brush, shrubs, etc.)
 - (2) Number of plants (if appropriate).
- c. Existing natural features such as wetlands, rock outcroppings, slopes and hills.
- d. Pedestrian facilities, if any, including walks, plazas and benches.
- e. Parking spaces and circulation areas for automobiles as well as the location of landscaped areas within them. Existing and proposed curb cuts shall be indicated together with approval for such cuts from the appropriate town or state agency. The number of spaces shall be in accordance with Section 6.4.2 of the bylaw.

²⁰ The inch is a common unit of length in the US. One inch is equivalent to 0.0254m.

²¹ The foot is a common unit of length in the US. One foot is equivalent to 0.3048m.

- f. Existing and proposed fencing to be used to buffer abutting residential dwellings and/or districts from the intended development (if appropriate). Section 3.0.4 of this bylaw.
- g. Existing natural features and vegetation to be retained shall be so indicated. Due regard shall be shown for all existing vegetation and natural features which, if preserved, will add attractiveness and value to the development.
- h. The location and type of monuments at all property corners shall be shown and maintained.
- i. Existing and proposed elevations and contours. The contour interval shall be two feet or any interval, which adequately depicts the grading.
- j. All existing and proposed utilities.
- k. All site plans required herein shall display names of all abutters.
- l. All existing and proposed sidewalks and curbs.
- m. Landscaping requirements:
 - (1) Required landscaping shall be provided as set forth in Table 3.
 - (2) Buffer strips required by Table 3 shall be reserved exclusively for planting, pedestrian facilities such as benches and walkways, required fences, necessary traffic control signs and those free standing signs which conform to the requirements of Section 6.5.2e of this bylaw.
- n. The plan shall also include a chart showing the following information:
 - (1) Area of lot.
 - (2) Area and size of building.
 - (3) Maximum area of building to be used for selling, offices, business, industrial, or other uses, if applicable.
 - (4) Maximum number of employees, where applicable.
 - (5) Maximum seating capacity, where applicable.
 - (6) Maximum sleeping capacity, where applicable.
 - (7) Number of parking spaces required for the intended use, based on Section 6.4.
 - (8) Number of parking spaces existing at the site (including street parking adjacent to site).
 - (9) Number of trees and/or shrubs.
 - (10) Number of trees and/or shrubs shown on plan.

Simplification and standardization of individual documents is only half of the job. It is also important to define and standardize the application dossier’s content to make sure all cooperating agencies accept the standardized dossier’s content as completed for individual purposes. Accordingly, the standardized dossier should be designed to satisfy the data needs of all government agencies participating in the review process (see Box 24).

Additional steps to take for document management simplification for customers and service providers include:

- Case files should be opened in each reviewing agency upon receipt of an application or referral of an application from another agency. They should be essentially identical in each reviewing agency. The application dossier records should be interchangeable between reviewing agencies. One way of accomplishing this is by establishing a standard document checklist or index shared by all cooperating agencies requiring that file documents be maintained in the order presented in the checklist.

BOX 24 Standardized Application Contents: Land Grading Permit, Sonoma County, California (US)

LAND GRADING PERMIT

Sonoma County, California (US)

Purpose: To identify minimum submittal requirements for grading permit applications and to provide a submittal checklist for grading plans.

The following is a summary of required items for a grading permit:

Minimum submittal requirements for grading permit applications: <ul style="list-style-type: none"><input type="checkbox"/> A completed permit application form<input type="checkbox"/> A completed Grading & Drainage Supplemental Information form<input type="checkbox"/> Two sets of drainage reports (See Drainage Report Required Contents form DRN-006 for more information)<input type="checkbox"/> Plan check fee<input type="checkbox"/> Four sets of folded grading plans.	The following documents may also be required due to the nature of a project: <ul style="list-style-type: none"><input type="checkbox"/> Letter of authorization signed by the property owner<input type="checkbox"/> Three sets of soil (geotechnical) reports GRD-005.
---	---

Grading plans shall include the following items, where applicable:

General (shall be shown on all applicable sheets):

- ☐ Paper size no greater than 24" x 36"
- ☐ Drawn to an engineering scale no less than 1' = 40'
- ☐ North arrow & scale (written & graphic)
- ☐ Date prepared & sheet # of # in lower right corner
- ☐ Seal & signature of licensed professional
- ☐ Property lines labeled on all pertinent views & details
- ☐ Locations of right-of-ways & easements
- ☐ Contours & elevations labeled as existing & proposed
- ☐ Structures labeled as existing & proposed
- ☐ Finished floor elevations of all relevant structures
- ☐ Sonoma County standard notes for grading permits
- ☐ Space in lower right corner for permit number & approval stamps
- ☐ All other pertinent construction notes & details.

Drainage improvement plan:

- ☐ Drainage improvements labeled as existing and proposed
- ☐ Subdrains labeled as existing and proposed
- ☐ Elevations for inverts, flowlines, top of grates and high points
- ☐ Drainage specifications (size, material, length, slope)
- ☐ Structure list for large networks
- ☐ Cross sections of existing waterways
- ☐ Drainage details and recommendations from drainage report.

Cover sheet:

- ☐ Name of project & site address
- ☐ Purpose statement for project
- ☐ Assessor's Parcel Number(s)
- ☐ Property owner name & contact information
- ☐ Plan preparer name & contact information
- ☐ Vicinity map & location map of site
- ☐ Legend & list of abbreviations
- ☐ Sheet index
- ☐ Cut & fill table
- ☐ Amount of disturbed area
- ☐ Reference datum & benchmark(s).

Grading plan/site plan:

- ☐ Limits of proposed work clearly delineated
- ☐ Dimensions to property lines & structures
- ☐ Cross sections of cuts and fills
- ☐ Cross sections of proposed structures
- ☐ Recommendations from soil (geotechnical) report.

Erosion prevention & sediment control plan:

- ☐ Limits of disturbed soil/areas clearly delineated
- ☐ Best management practices (BMPs)
- ☐ BMP details & specifications
- ☐ Protection fencing for waterways and sensitive areas

Driveways & roads:

- ☐ Centerline stationing (construction alignment)
- ☐ Profiles with existing & proposed grades
- ☐ Cross sections (minimum of every 50 feet)
- ☐ Typical sections details
- ☐ Cross slopes.

- Assembly of an application dossier should be cumulative. In the absence of a significant passage of time or clear evidence of a change in conditions, data submitted during an earlier stage of the application process should not be requested again at later stages of the process.
- Certain documents required for a procedure may be prepared and issued by persons other than the applicant, in particular by government agencies. Requiring applicants to obtain certified copies of official documents from the issuing agency can consume significant time and often delays the process. Applicants should not be required to produce or deliver certified or duplicate original copies of an official document produced or issued by a government agency and is in the possession of or accessible to a reviewing agency with minor effort. Simple facsimile copies of such documents may be sufficient as part of an application.
- An official document should be considered conclusive evidence that the requirements and conditions for the document's issuance have been satisfied. Applicants should not be required to provide further certifications of official document validity, nor should agency staff be required to investigate the circumstances surrounding the document's issuance.

BOX 25 **Receipt of the Application Dossier, Ba Ria-Vung Tau Province**

Below is the receipt form used by the OSS for investment, construction and land procedures at the DPI of Ba Ria-Vung Tau Province.

The receipt lists the required papers in the application for acceptance in principle of the investment project. The officer receiving the application will issue a similarly-designed receipt for different procedures to the applicants. As the receipt includes a checklist of application components, all the receiving officer needs to do is tick the appropriate boxes which helps speed up the pace of receiving applications.

Bm/SKHDT/TN&TNQ/BNHS/LT-01

BA RIA-VUNG TAU PROVINCIAL PC
DEPT. OF PLANNING & INVESTMENT

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Ref. No.: /BNHS-CTDT

Vung Tau, [date], 2010

RECEIPT OF APPLICATION ACCEPTANCE

Application for acceptance in principle of the investment project

The Department of Planning and Investment has received from Mr. /Mrs

Address:

Tel:

Investor:

Project name:

The application has been lodged in 05 packages, one of which is in originals, including:

1/ Application for acceptance in principle of the investment project (form)☐2/ Site drawings (if available).....☐

3/ Related papers:

- Copies of business registration certificate or incorporation permit
(for corporate investors)☐

- Copy of ID card (for individual investors who are Vietnamese nationals)☐

- Copy of valid passport (for individual investors who are Vietnamese residing
abroad, foreigners residing in Vietnam)☐

4/ Other related legal documents (if any):

.....

.....

Handling timeline:

Outcomes to be returned no later than:

[date] 2010

Application submitted by**Received by**

(Full name)

(Full name)

Contact information:

- Tel:

- Fax:

BOX 26 Inter-Agency Application Processing Control Sheet in Ba Ria-Vung Tau Province

The DPI in Ba Ria-Vung Tau Province designed and used an interagency application processing control sheet in the circulation and processing of applications between the DPI and other line departments. The sheet records the status of responsibility fulfillment of every involved agency. This sheet is not only useful for keeping track of a specific investor's application, but also benefits the monitoring and evaluation of public service delivery.

BA RIA-VUNG TAU PROVINCIAL PC
DEP. OF PLANNING & INVESTMENT

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom - Happiness

APPLICATION ACCEPTANCE &
OUTCOME DELIVERY OFFICE

Ref. No. /

INTERAGENCY APPLICATION PROCESSING CONTROL SHEET

- **For procedure:** Application for provincial PC's acceptance in principle of the project
- **Agency in charge:** Provincial Department of Planning and Investment
(Economic Development and Investment Division)

Title of application:

Applicant:

Lodged by:Tel:.....

Fax:Email:

Received by the Department of Planning and Investment on:...../...../2010.

Total business days spent:business days

Processing agency:business days

Economic Development and Investment Division, DPI to return outcomes no later than ... /... /2010.

Application circulating route	Date	Signature	Notes
Date of application arrival at the agency involved			Handed-over by:
Application received by the agency involved			Received by:
Officer in charge			Name:
Consultation officer (if any):			Feedback date as required:
Feedback comments:			

Application circulating route	Date	Signature	Notes		
Application update request (if any):			Reasons for update:		
Additional furnished documents:					
Expected date of return after application update					
Submitted to manager					
Submitted to DPI management					
Circulated to provincial PC office					
Returned by provincial PC office to DPI			Ref. No. Date:		
Delivery of outcome to applicant			Full name:		
Other comments					
Performance evaluation: Days spent		<u>Leader of the processing agency</u>			
Processing division:					
<u>Leader of DPI</u>					
<p align="center">APPLICATION ACCEPTANCE & OUTCOME DELIVERY OFFICE DEPARTMENT OF PLANNING & INVESTMENT</p>					

7.2 Use of Common File and Document Identifiers

It is considered best practice today to assign common numerical file identifiers to all incoming applications, regardless of the department or agency to which the application is first submitted. Use of a common file identifier among all cooperating agencies can facilitate access to information and communications among parties and reduce errors.

The common file identifier should be assigned at the submission/intake stage, a step that is clearly made easier if the electronic web-based submission of applications is possible, or if a centralized OSS for the acceptance of applications is in place.

To guard against confusion from assigning multiple file identifiers to the same application by different agencies, some precautions can be taken such as:

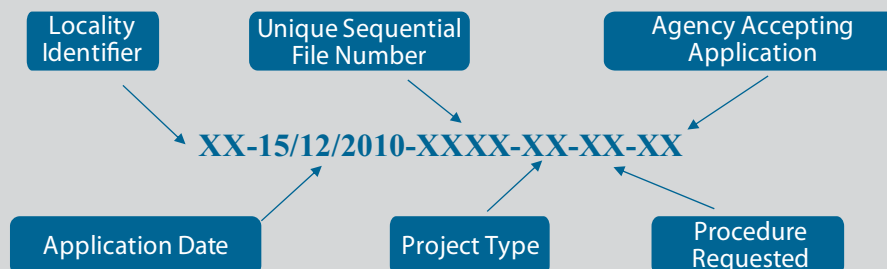
- Requiring all agencies to use the same identifier system
- Requiring the first agency that handles the application to assign an identifier

- Requiring any agency that receives a request to review an application from another agency adopt the identification number that has been assigned to the file.

Once established, all future correspondence between agencies and the applicant should refer to the common file identifier and the applicant should be required to include the file identifier number on all documents and other submissions.

BOX 27 Creating the Common File Identifier

This box illustrates a common technique for constructing unique file identifiers. Common file identifiers can be constructed to provide significant information about the application including, for example, date of application, locality, type of project, procedure requested and the agency to which the application was submitted.



BOX 28 Use of Project Codes in Thua Thien-Hue Province

In accordance with Directive No.5809/UBND-XT, dated December 31, 2010 of Thua Thien-Hue provincial PC, providing guidelines on the procedures for investment projects in the province, a project code is generated by the provincial PC for every investment project once an investor expresses interest in the project. The code helps departments and relevant agencies effectively collaborate and support the investor in considering and implementing the project. The investor uses the code in transactions with relevant agencies during the project's implementation. Agencies processing and approving land access and development permits procedures also rely on this code to exchange information about, comment on, report and monitor the project.

The project code has a simple seven-digit structure. The first three digits are the serial number (001-999), the next two are the month (01-12) and the last two are the year.

NOTIFICATION OF PROJECT CODE

PEOPLE'S COMMITTEE
THUA THIEN-HUE PROVINCE

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Ref. No.: /UBND-(*)

Thua Thien-Hue, [date]

Project code
□□□-□□-□□
(Serial No. – month – year)

To:

The People's Committee of Thua Thien-Hue Province welcomes:

Investor:

Represented by (full name)Position:

Principal office:

Interested in the projectlocated in

The provincial People's Committee requests relevant agencies to help and support the investor in considering and implementing the project inmonths, with details below:

.....
.....

For PROVINCIAL PEOPLE'S COMMITTEE
CHAIRPERSON

C/c:

- As above;
- Provincial Departments, district PC;
- Filing at Admin., (*)

Notes: (*) Person in charge

In addition, it is considered best practice for service providers in the fields of land use and construction to require that specific types of application documents, in particular technical plans and maps, be coded with alpha and numeric identifiers ("naming conventions"). This allows for quick access and reference to the documents, the facilitation of communications with the applicant, between different departments and service providers, along with better historical tracking of the application. Box 29 reflects a typical system of "naming conventions" for documents.

BOX 29 **Simple System of Naming Conventions for Technical Documents**

Document Type	Project Name	Discipline	Code	Sheet Numbers	Sheet Descriptions	Example
Architectural	XYZ	A	01	001-009	Cover Page	XYZ A.1.001 Cover Sheet
			02		Index	XYZ A.2.001 Index
			03		General Notes	XYZ A.3.001 Notes
			04		Site Plan	
			05		Floor Plans	
			06		Interior Elevations	
			07		Exterior Elevations	
			08		Details	
					Specifications	
Structural		S	01		Cover Page	XYZ S.01.001 Cover Sheet
02						
Civil engineering		C	01		Cover Page	XYZ C.01.001 Cover Sheet
			02			
			03			
Landscape		L	01			
			02			
			03			
Electrical		E	01			
			02			
			03			
Mechanical		M	01			
			02			
Plumbing			03			
		P	01			
			02			
			03			

8 Customer Service

Customer service is a key to success. This does not only ring true in the world of private sector business and commerce, but is also an essential rule of thumb in the provision of public administrative services. Public administrative service exists to serve businesses and citizens with customers today more knowledgeable and demanding good quality service.

8.1 What do Customers Expect?

- **Transparency:** Transparency is expressed through availability, completeness and accuracy of information covering regulations and procedures. Moreover, any decisions made by a public service provider must be based on clearly defined and unbiased criteria clearly communicated to the customer.
- **Efficiency:** Efficiency is reflected in rapid decision-making and low compliance costs (time and money) to businesses.
- **Communications:** Public service staff listening to and giving clear responses to clients defines good communications. Staff members are self-motivated and take the initiative in informing clients about the status of applications and identifying/solving any problems that may arise.
- **Certainty:** Certainty is reflected in the commitment of a public service provider to the quality of the services rendered to clients, especially in setting processing time limits and making sure that staff members are able to carry out the commitments. Equal treatment of each client in terms of processing, requirements and service quality also play a significant role in the building and maintaining of clients' trust.
- **Accessibility:** Accessibility is found in the diversity of physical access to public services, such as visits to the office, telephone Q&A sessions, information provided on the agency's website and electronic mail exchanges. On top of that, businesses expect that agency staff will be reasonably accessible during regular business hours and senior officers will be available to resolve conflicts and exercise discretion when needed.
- **Accountability:** Accountability is reflected in the fact that every staff member is responsible for applications received, treats the applications in accordance with existing laws, regulations and procedures, and is held accountable by senior management for his/her actions.

8.2 Essential Elements of Customer Satisfaction

There are three essential elements that bring customers satisfaction, (i) the quality of products and services, (ii) convenience and (iii) the human factor. The service quality that businesses receive when visiting a public service provider is not only reflected in the solutions it provides to questions, but also the overall quality of the experience and feeling of goodwill that clients develop when working with a public service provider.

Customer-Centered Service Approach

Constructing a *customer-centered service system* is vital to good customer service. The system should include rules, processes and ways to run the system. The system's development often comes from the institution's top and middle management. If the system is designed without customer-centered content, results will be limited to situational solutions and the institution will fail to grow no matter how many hospitable employees are recruited.

It should be noted that having a system in place is not enough. The system can only operate well when all staff are equipped with adequate customer service knowledge, skills and attitude. They are an important bridge between the institution and customers. Therefore, no matter how good the customer service policy is, there will be gaps if the bridge is not ready.

Important Customer Service Skills

One of the most important customer service skill sets is understanding customers' needs. *Understanding customers* is a solid foundation of customer satisfaction and the foundation allows staff to build various types of skill sets to *successfully handle situations*.

"Understanding customers" skill set:

- Observation skills
- Active listening skills
- Questioning skills.

"Handling situations" skill set:

- Communication skills
- Dealing with customer complaints skills
- Negotiation skills.

BOX 30 Practices Recommended and Not Recommended when Dealing with Customers

With regard to the human factor, the foremost requirement for customer care staff is a positive attitude, and only after that come experience, expertise and appearance since the latter can all be developed and improved once a good attitude is in place. Below are things recommended and not recommended for public service providers as far as attitude toward clients is concerned.

Recommended and not recommended telephone communication etiquette

RECOMMENDED:

- ✓ Pick-up the phone at the first ring
- ✓ Saying agency/organization name
- ✓ The answerer identifying him/herself
- ✓ Listening carefully
- ✓ Having necessary information readily available
- ✓ Be enthusiastic in finding the answers to problems.

NOT RECOMMENDED:

- ✗ Leave the phone ringing
- ✗ Curtly say "Hello"
- ✗ Be on the phone while doing other things
- ✗ Not taking notes
- ✗ Forgetting promises.



Photo: Some class activities during customer service training courses at Binh Dinh and Thua Thien-Hue provinces funded by IFC. Participants were government staff whose duties are to guide investors. They included staff from OSS and select technical units of Planning and Investment, Natural Resources and Environment, Construction, Industry and Trade, Agriculture and Rural Development departments, provincial PC and district PC offices and management authorities of industrial zones. In the photos, the trainer from Unicom was facilitating class activities to practice collaboration skills (top left corner) and change of habits (bottom right corner).

Recommended and not recommended behavior in communicating with clients making complaints

RECOMMENDED:

- ✓ Listening carefully
- ✓ Showing empathy
- ✓ Making a real effort and showing concentration in finding the answers to the problem

NOT RECOMMENDED:

- ✗ Making excuses
- ✗ Arguing
- ✗ Denying the client's feelings (anger).

Source: Excerpts from a presentation by Tam Viet Training and Consultancy agency in a customer care skills course for public service staff in Bac Ninh Province. Training was supported by IFC, February 2007.

Therefore, excellent customer service is made up of two core elements: *A Customer-Centered Service System* and *Staff Skills*.

Being customer-oriented needs to become a culture within the institution and be displayed by all staff and units of the institution. Customer service needs to be continuously improved and renovated.

8.3 Citizen's Charter

Government commitments at central and local levels to provide good quality services to businesses, organizations and citizens is critical to improving the efficiency and effectiveness of public administrative services. In many countries, governments at central and local levels have expressed their commitments by way of a "Citizen's Charter".

The "Citizen's Charter" concept was first articulated and implemented in the United Kingdom in 1991 as a program to continuously improve the quality of public services. The Citizen's Charter concept has since been adopted around the world and current users include Australia, Bangladesh, Belgium, Canada, France, India, Ireland, Italy, Jamaica, Malaysia, Mexico, Nepal, New Zealand, Portugal, Spain, the Netherlands and the Philippines to name just a few.

It is a government initiative to organize activities under the principle of transparency and clarity in terms of quality standards and obligations in providing services.

It is based on the assumption that citizens contribute to public services by paying taxes and have a fundamental right to good quality service at reasonable costs in an efficient, fair and accountable way.

A charter can be in any form, from a general statement of commitment to service standards to a detailed list of rights citizens are entitled to when interacting with a government agency. It is a written and publicly announced document that comprises some or all of the following components:

- ① **Vision and mission statements:** The first key component of a meaningful Citizen's Charter is a clear statement of vision. A vision statement may emanate from an open and consultative process, involving multiple points in the organization as well as citizens, client groups or stakeholders. The mission statement provides specific objectives, which drive the organization in tune with its vision.
- ② **Details of business transacted by the organization:** The charter should clearly identify the services, which would be provided by the organization to attain its mission and vision. This should list all the services made available through its various agencies. In the charter, there should be a clear identification of the levels at which specific services are provided.
- ③ **Details of customers/clients:** Organizations with a number of client groups may have different services for different client groups. The charter should list the services for each client group and the 'commitments' for each of such services.
- ④ **Specification of time frames for each service:** There should be a clear commitment about the time frame for delivery of specific services in the charter.
- ⑤ **Specification of service quality and delivery standards:** A charter must indicate the specific quality standards to which the organization is committed. This will enable the citizens/client groups to exercise choice where available and raise their voices when necessary to ensure that quality service is made available. An organization is also obligated to exercise internal controls once standards are publicly specified. A charter should provide a clear commitment on service delivery standards such as access, accuracy, affordability, courtesy, delivery, fairness, reliability, responsiveness and sensitivity of services. These should be measurable and enable the organization to chart its performance.
- ⑥ **Information about public grievance and redress procedures:** Awareness of grievances is the first step, which an organization can take towards introducing

corrections to its operations. A charter should clearly lay down the procedures for redress of grievances.

- ⑦ **Procedures for inviting citizens' suggestions/inputs:** A charter should invite suggestions from the public about the organization's activities and functions, spell out procedures for submitting suggestions and commit to seriously consider suggestions.
- ⑧ **Information about a monitoring mechanism to ensure compliance with commitments:** There should be clear information in the charter about the monitoring mechanisms created by the organization to ensure the charter does not remain merely a superficial document, with little capacity to ensure its own implementation. This monitoring mechanism may include people from the organization and those outside clients/stakeholders or civil society groups.

There is a great deal of information and guidance on the creation of various "Citizen's Charters". Frequently the process entails consultative activities with citizens and stakeholders to determine reasonable objectives and standards, test the concept and monitor its implementation.

In its "Seven Steps to a Citizen's Charter with Services Standards," a practitioner's handbook, the Innovative Public Services Group of the European Public Administration Network identified the main steps as in Figure 25.²²

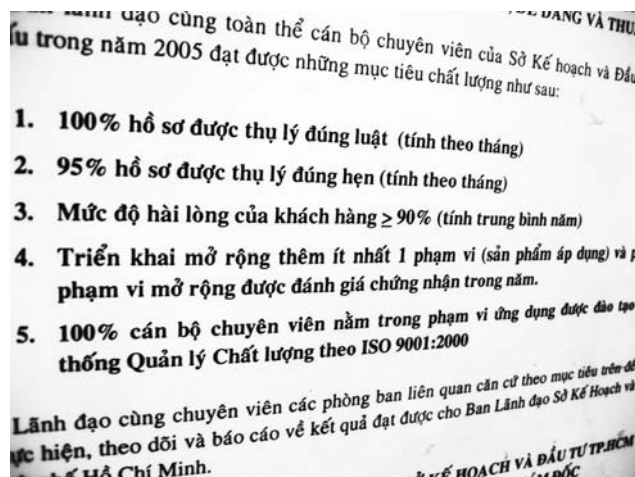
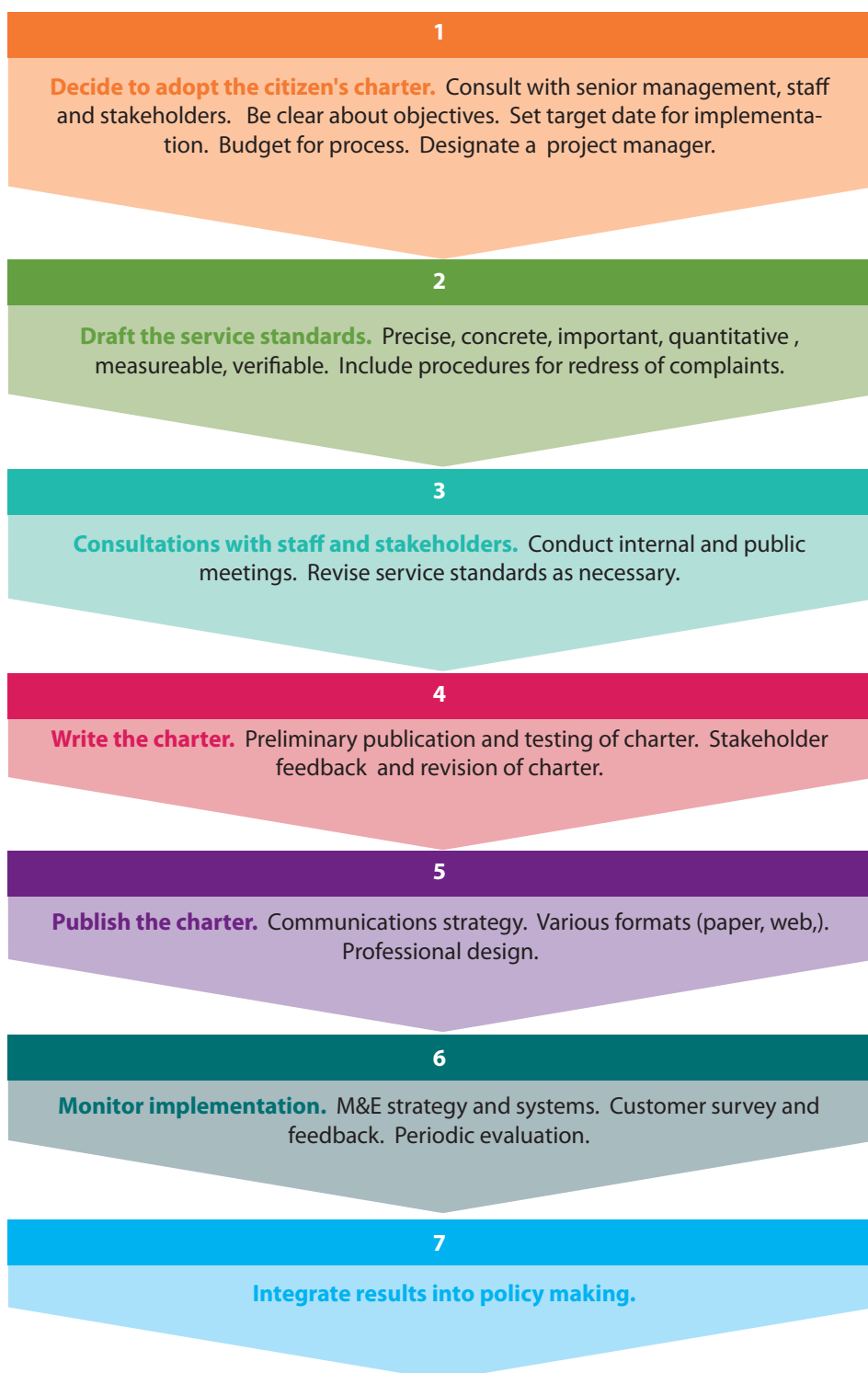


Photo: Quality norms, Ho Chi Minh City

22 Seven Steps to a Citizen's Charter With Service Standards: Implementation Plan for Governmental Organizations, Netherlands Ministry of the Interior and Kingdom Relations, September, 2008.

FIGURE 25 Seven Steps to a Citizen's Charter with Service Standards



BOX 31 Customer Contact Charter, London Borough of Sutton, the United Kingdom (2007/2008)

Customer Care

We aim to give the highest standard of customer care to all members of our community. When contacting us you can expect:

- Staff to acknowledge you, be courteous and give their name and the service area
- Your dealings with us will be treated as confidential and we will tell you if the information you provide is to be used for any other purpose
- Our customer service staff to take ownership of your issues or problems and to resolve these issues at the first point of contact and not pass you on to anyone else unless necessary
- To have a choice of access methods to suit a range of needs
- Not to be kept waiting too long
- Clear communications
- We will provide additional facilities for hearing and sight impaired customers and those whose first language is not English.

Corporate Standards

Telephone calls

We are changing the ways we deal with telephone calls to our published numbers by creating contact centers that can deal with all requests effectively. You can continue to use the numbers you have previously used. However, we have created easy to remember numbers to eventually replace the existing 67 numbers.

- The telephone numbers for our main services are listed in "Contacting your council – an A-Z guide" available from council reception desks. Information is also listed on our website www.sutton.gov.uk.
- We aim to use answer phones as little as possible.
- If you do leave a recorded message we will get back to you by the end of the next working day. If you don't get through to the right person straight away, our staff will transfer you or ask the right person to telephone you back.

When you visit our offices

- One of our receptionists will see you quickly (and you can recognize them by their name badges).
- We aim to see all callers within three minutes, but at busy times you might need to wait longer.
- We will provide a comfortable waiting area and an opportunity to discuss your business privately.
- Our receptionists have experience of dealing with most enquiries themselves. Sometimes someone from one of our service areas will be better able to help you.

When you visit our Civic One Stop Shop

- If you need to see someone in our OSS, our receptionist will give you a ticket or call the appropriate person to see you.
- We aim to see all callers within 30 minutes if they do not have an appointment and within five minutes if you have an appointment.
- If queues get too long we will bring down more staff from service areas.
- We aim to resolve 80% of queries at first point of contact.

Source: www.sutton.gov.uk

BOX 32 Customer Satisfaction Survey regarding the Quality of the Public Administrative Services, Danang City

In their following announcement, the provincial PC of Danang City has publicly informed their decision and plan to conduct a customer satisfaction survey with organizations and citizens for public administrative services provided by the city, including procedures for construction, using the SERVQUAL model. The purpose is to assess the service accessibility, quality and cost as well as complaint redress.

• Tin tức - sự kiện

• Cải cách hành chính

• Văn bản pháp quy

• Truyền hình GNPL

• Gương điển hình PCTN

• Diễn đàn PCTN

• Vui - Giải trí

• Hình ảnh hoạt động

Liên Hệ - Góp Ý

Liên Kết Trang

Quốc Hội Nước CHXHCN ▼

Liên Kết

Thông Kê Truy Cập

Công tác CCHC tại TP Đà Nẵng phải có bước đột phá

UBND Thành phố Đà Nẵng vừa kí Quyết định về việc phê duyệt Kế hoạch tổ chức khảo sát, đánh giá mức độ hài lòng của tổ chức, công dân đối với dịch vụ hành chính công trên địa bàn thành phố Đà Nẵng.

Với mục đích: Khảo sát mức độ hài lòng của tổ chức, công dân đối với dịch vụ hành chính công của các cơ quan, đơn vị trên địa bàn thành phố Đà Nẵng nhằm xác định mức độ hưởng thụ lợi ích từ dịch vụ hành chính công, phát huy quyền làm chủ và tham gia xây dựng chính quyền nhà nước của nhân dân; đối với chính quyền thành phố và các cơ quan cung ứng dịch vụ hành chính công, việc khảo sát mức độ hài lòng là cơ sở để thu thập ý kiến của tổ chức, công dân về dịch vụ hành chính công, để định hướng các giải pháp cải thiện chất lượng cung ứng dịch vụ hành chính công và nâng cao hiệu quả công tác cải cách hành chính.

Với yêu cầu: Việc tổ chức thực hiện phải đảm bảo tính khoa học, khách quan, dân chủ, minh bạch; phản ánh đúng thực tế hoạt động, làm rõ ưu điểm và hạn chế của hoạt động cung ứng dịch vụ hành chính công và đưa ra các biện pháp khắc phục.

Phạm vi khảo sát: Tập trung lấy ý kiến hài lòng đối với các dịch vụ hành chính công có tính chất quan trọng với nhu cầu giao dịch của tổ chức, công dân trên địa bàn thành phố, cụ thể:

- + **Đối với tổ chức:** Cấp giấy chứng nhận đăng kí kinh doanh (thuộc thẩm quyền của Sở Kế hoạch và Đầu Tư); cấp Giấy chứng nhận đủ điều kiện kinh doanh (thuộc thẩm quyền của Sở Công Thương); cấp Giấy phép xây dựng (thuộc thẩm quyền của Sở Xây dựng); đăng kí mã số thuế, kê khai và nộp thuế (thuộc thẩm quyền của Cục Thuế).
- + **Đối với công dân:** Cấp giấy chứng nhận đăng ký kinh doanh hộ cá thể (tại các quận huyện); cấp Giấy chứng nhận quyền sử dụng đất, quyền sở hữu nhà ở và tài sản khác gắn liền với đất (tại các quận, huyện), cấp giấy phép xây dựng (tại các quận, huyện); thủ tục viện phí và bảo hiểm y tế tại Bệnh viện Đà Nẵng và Trung tâm y tế các quận, huyện, đăng ký hộ khẩu tại Công an các quận, huyện.

Tổng số mẫu điều tra dự kiến: 3.000 phiếu, trong đó đối với tổ chức: 705 phiếu và cá nhân: 2.295 phiếu.

Phương pháp đánh giá: Sử dụng thang đo SERVQUAL của Parasuraman hoặc SERVPERF của Corin & Taylor để đánh giá chất lượng dịch vụ hành chính công theo mô hình khảo sát sau:

- + Khả năng tiếp cận dịch vụ
- + Khả năng sử dụng dịch vụ
- + Chi phí sử dụng dịch vụ
- + Cơ chế tiếp nhận, phản hồi khiếu nại, tố cáo

>> Sự hài lòng của tổ chức, công dân

Thời gian thực hiện: từ ngày 30/11/2011

Huỳnh Văn Thắng

Source: http://chongthamnhung-danang.com/caicachhanhchinh.php?kind=detail_news&id_news=332

Quick notes about the SERVQUAL model: This is one of the most common current approaches to service quality assessment. In practice, service quality reviews often center on this model or derivatives of this model. Customer surveys are conducted based on five perspectives to define five different gaps in service quality.

The five considerations

Reliability	The ability to deliver the promised services reliably.	For example: - Returning the applications and outcomes on time.
Assurance	Staff members' expertise and etiquette creating trust and belief.	For example: - A comprehensive, reliable information desk - Experienced staff.
Tangible	Physical materials, equipment, staff costumes.	For example: - Information desk, application receipt and outcome return windows - Uniforms, badges with names and positions of OSS staff.
Responsiveness	Willingness to help and quickly deliver services of the staff.	For example: - Effective and punctual processing system - One-stop shop and other specialized unit staff are quick and dedicated in answering clients' questions and catering to clients' needs.
Empathy	Providing customized services, understanding and taking care of customers.	For example: - Staff listen, be patient and are able to anticipate a customer's needs.

The five gaps

Positioning	The service provider fails to understand what the customers expect. This will lead to the design and delivery of services that do not correspond to what the customers expect.
Specification	The service provider fails to put in place service quality standards to meet customers' needs.
Delivery	The service delivery process fails to meet service quality standards. The staff, process and system fail to deliver services in accordance with the required standards.
Communication	The promises made in the media are not consistent with actual performance.
Perception	The perception and experience of using the services rendered in practice are not consistent with the expectation on service delivery and performance.

9 Monitoring and Evaluation

Monitoring and evaluating (M&E) public service quality is essential in closing the gap between actual service quality provided by government agencies and the expectations of businesses and citizens. Good service quality is achieved when the service rendered meets or surpasses the expectations of business and general public clients. Nevertheless, to compare and identify the gap, every agency needs to develop specific evaluation criteria to collect information and measure outcomes.

What is Monitoring and Evaluation?

Monitoring

A continuous data collection and analysis process implemented to assess a project (a program or a policy) and compare it with the expected performance.

Evaluation

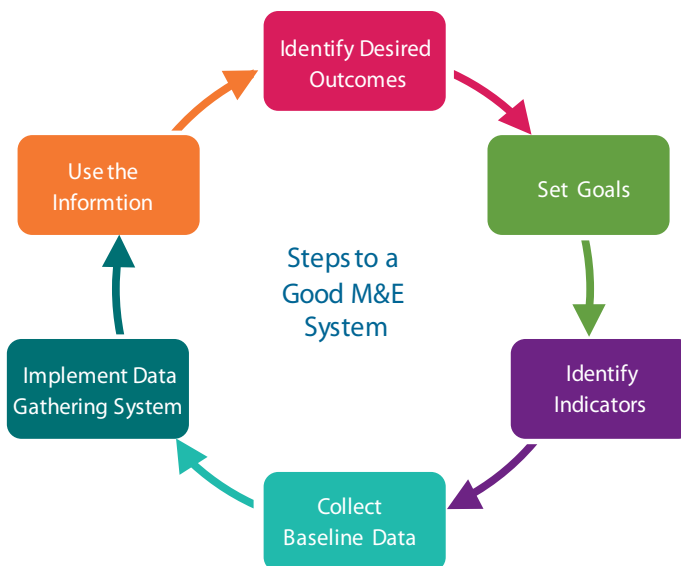
A systematic and objective measurement of the results achieved by a project, program or policy, to assess its relevance, coherence, efficiency of implementation, effectiveness and impact, as well as its sustainability.

Source: The World Bank

9.1 Components of a Good Monitoring and Evaluation System

The components of implementing a good M&E system are well known and the subject of widespread agreement. They include:

FIGURE 26 Components of a Good M&E System



- ❶ **Identifying the outcomes to be monitored:** The first step in establishing the M&E system is to identify the set of outcomes that should be monitored. These outcomes will most likely arise from the performance standards established in the process of creating a customer care system (see previous Section 7) and might include the time for processing applications, the numbers of applications processed, inquiries handled or complaints received.
- ❷ **Setting goals and objectives:** Once the desired outcomes are identified it is necessary to establish the performance targets in terms of measurable time, costs and other quantifiable indicators.
- ❸ **Associating indicators with outcomes:** Indicators are how we measure success. They can be quantitative or qualitative. A quantitative indicator is the average time taken to process a permit application. A qualitative indicator can be the satisfaction of customers with the quality of service provided. Both types of indicators can be important measures of success. In many cases the relationship of the indicator to the desired outcome is clear. In other cases the relationship may be more tenuous. Growth in investment may be, but not necessarily, related to changes in administrative performance. In some cases careful thought should be given to how the indicator is related to the desired outcome.
- ❹ **Gathering “baseline” data:** Baseline data measures the conditions that exist today, prior to implementation of administrative reforms and provide a frame of

What is an Indicator?

Indicators are measurable variables, which are used to measure certain aspects of a complex variable.

Example: Social class is measured by means of occupation, housing conditions, transport media, educational level and other indicators.

Indicators are a measure that can be used to help describe a situation that exists and to measure changes or trends over a period of time.

Indicators should be SMART:

- Specific
- Measurable
- Achievable
- Relevant
- Time-bound

Although it is desirable to use quantitative indicators, it has to be taken into account that they describe only selected aspects of reality (i.e. of a complex variable). In some cases the qualitative description of the phenomena observed reflects reality much better than quantitative indicators. Frequently, both quantitative and qualitative (descriptive) approaches complement each other.

Source: The World Bank

reference for measuring change over time. Without baseline data, it is impossible to measure the impact of an action.

- ⑤ **Designing data gathering systems:** Management information systems should be designed to gather the necessary data to monitor performance. For example, files and application dossiers should record all relevant dates of actions and decisions – from submission of the application to final decision – and allow calculation of time spent in specific review functions and by individual staff members. Electronic file and permit tracking systems (see Section 6) are ideal for providing M&E data continuously and accurately. Data should be collected continuously, aggregated and presented at regular intervals for purposes of comparison and measurement of progress.
- ⑥ **Monitoring data and using it in management and policy decisions:** Most importantly, data should be reviewed by management, discussed with staff and it should inform management and policy decisions. For example, data should enter into staff performance reviews.

BOX 33 Customer Survey Questionnaire, Ho Chi Minh City

Customer surveys are important tools for the monitoring and evaluation an agency's performance. A sample business survey, used by Ho Chi Minh City's DPI, is pictured below. The questionnaire is designed with answer options so that respondents only need to tick the appropriate choices. This is useful for saving respondents' time and assisting the compilation of feedback. The questionnaire does not require respondents to provide names since most business respondents may feel uncomfortable providing such information.

CUSTOMER QUESTIONNAIRE (This is an anonymous survey)	Date/...../200..... No.....
<i>Dear Customer,</i> <i>In order to provide better quality service, we would like to have your assessment opinions. Your input is important for us in our attempt to continuously improve our service quality.</i>	
BUSINESS REGISTRATION PROCEDURE (Please tick one) <input type="checkbox"/> New <input type="checkbox"/> Amendment/Revision <input type="checkbox"/> Dissolution	
MEETING THE SET DEADLINE (Please tick one) ⑤ Very satisfied ④ Satisfied ③ Acceptable ② Not satisfied ① Very bad <input type="checkbox"/> Other:	
EASY AND CONVENIENT PROCEDURE (Please tick one) ⑤ Very satisfied ④ Satisfied ③ Acceptable ② Not satisfied ① Very bad <input type="checkbox"/> Other:	
TRANSPARENCY IN PROCEDURE GUIDANCE (Please tick one) ⑤ Very clear ④ Clear ③ Acceptable ② Not clear ① Very bad <input type="checkbox"/> Other:	
INFORMATION EXCHANGE WITH ENTERPRISES (Please tick one) <input type="checkbox"/> Directly <input type="checkbox"/> Via telephone <input type="checkbox"/> Via document <input type="checkbox"/> Via fax <input type="checkbox"/> Via email ⑤ Very clear ④ Clear ③ Acceptable ② Not clear ① Very bad <input type="checkbox"/> Other:	
HANDLING CUSTOMER COMPLAINTS (if any) ⑤ Very satisfied ④ Satisfied ③ Acceptable ② Not satisfied ① Very bad <input type="checkbox"/> Other:	
WORK ENVIRONMENT AND AREA OF THE APPLICATION RECEIVING AND RESULTS RETURNING UNIT ⑤ Very good ④ Satisfied ③ Acceptable ② Not satisfied ① Very bad <input type="checkbox"/> Other	
WORK ENVIRONMENT AND SPACE OF THE INFORMATION INSTRUCTION UNIT ⑤ Very good ④ Satisfied ③ Acceptable ② Not satisfied ① Very bad <input type="checkbox"/> Other	

[illegible]

To:

LUU VAN TRAN
HEAD OF ADMINISTRATIVE OFFICE
DEPARTMENT OF PLANNING AND INVESTMENT, HO CHI MINH CITY
32 Le Thanh Ton, District 1, Ho Chi Minh City Tel: 8237490

9.2 Measurement Indicators

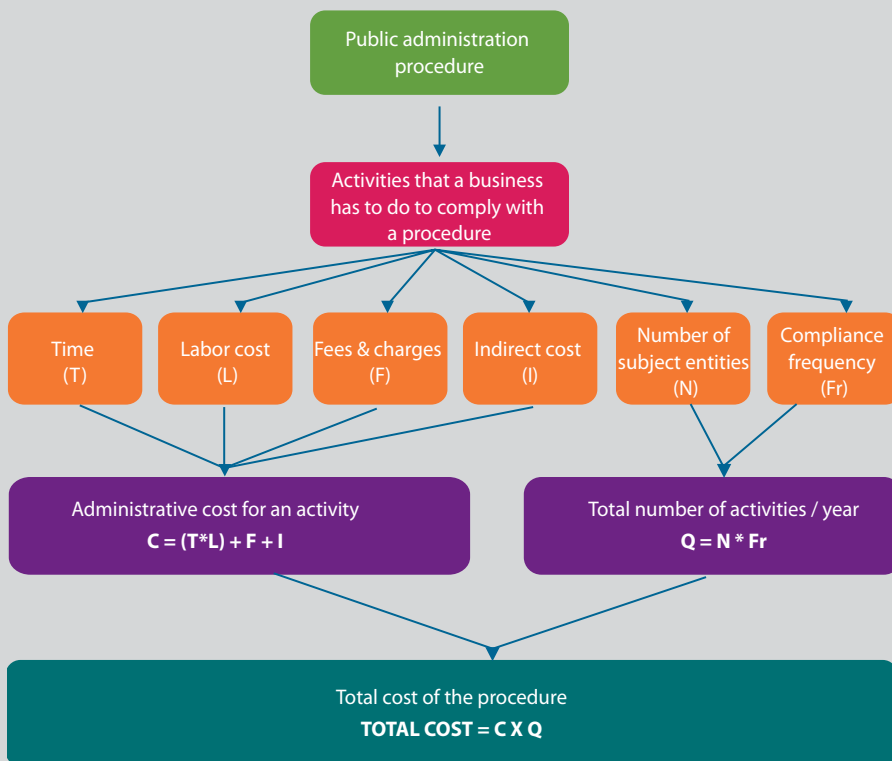
In order to determine whether a simplification initiative has been successful, it is necessary to conduct an evaluation, essentially taking a “before” and “after” snapshot of performance. To do this, the diagnostic phase should include a benchmarking exercise to capture performance indicators prior to the process design (see Part 2). The following are common indicators, which should be considered when “measuring” the simplification:

- **Number of document requirements:** The number of documents required to be submitted in connection with a request associated with a given procedure. A simplification initiative should aim to reduce unnecessary and overlapping documentary requirements and increase standardization of documents among relevant agencies (see Section 7, Part 3).
- **Number of steps in each procedure:** Each procedure can be broken down into a series of steps. Each step is a potential point where delays can occur. In other words, adding a step to the process will result in more time needed to complete the process. Conversely, removing a process step will result in less time needed to complete the process. Thus, one objective for a procedure’s overall simplification would be to minimize the number of steps.
- **Number of visits to authorities:** Multiple visits by an applicant to government offices to undertake procedures are likely if agency staff fail to thoroughly guide the applicant through the application’s preparation and each process step.
- **Time to complete a process:** This is an important indicator as it flags the process’ efficiency. The number of days necessary for completion of the procedures, starting from the application’s date of submission to the receipt of results, is counted.
- **Cost to customers:** The cost to a customer is represented by filing fees and time lost dealing with government agencies in connection with uncompleted requests. It is worth noting that reduced costs need not force a decrease in local government revenue, since a better administrative process may encourage more investment projects, thereby creating more jobs and revenue.
- **Cost to local governments:** Costs consist of overheads for administering the procedures, such as personnel, office rent, utilities and office equipment costs.
- **Percentage increase in compliance:** The percentage change in the number of investment projects that comply with the new simplified process as compared to that before the simplification initiative. For example, the percentage change in the number of construction projects without construction permits before versus after the reform of the construction permitting process.

BOX 34 Introduction of Standard Cost Model

The compliance cost measurement approach is often called the “Standard Cost Model” or “Standard Cost Measurement”, (SCM). The approach was first developed in the Netherlands and has been widely used in many countries, especially in Organization for Economic Cooperation and Development (OECD) member countries.

Procedure compliance costs measured in this approach include administrative, direct financial (fees and charges) and indirect financial costs, as briefly described in the graph below.



Administrative cost: Expenses of preparing application documents and contacting relevant authorities to undertake the procedure. This cost is calculated based on the time needed for the subject entity (institutional or individual service user) to complete the procedure and the entity's income.

The administrative cost for an activity equals the time needed to complete it (T) multiplied by the labor cost of those doing it (L). The sum of accumulated cost of all activities to complete a particular procedure and the fees and charges (F) for the procedure is the administrative cost to comply with the procedure.

Indirect financial cost (I): Money or resources that a business pays to meet the requirements and criteria set by a procedure, e.g. procurement of more equipment to meet the criteria on physical facilities or investments to alter product series.

Number of subject entities (N): The total number of individual or institutional service users who are required to perform the procedure every year.

Frequency of compliance (Fr): Average times an individual or institutional user has and will have to comply with the procedure each year.

The sum of all the components above makes the total annual cost for a procedure.

For example, preparing an application for a procedure takes 30 minutes (0.5 hour). The monthly wage of the employee preparing the application is VND3 million a month (or VND15,625/hour). The cost for preparing the application will be $0.5 \times 16,625 = \text{VND}7,812.5$.

Every year, about 100,000 companies have to perform this procedure once. The total cost to prepare applications for that particular procedure will be $7,812.5 \times 100,000 = \text{VND}781,250,000$.

In this case, the compliance cost for a single activity of preparing the application alone is already VND781,250,000. The total cost for an entire procedure, the accumulated cost for all activities in the process, can therefore be worked out.

In Vietnam, SCM has been used in Project 30 for procedure simplification in public administration processes during 2007-2010, as a way to quantify the benefits of procedure simplification by comparing the total procedure compliance costs before and after the reform.

9.3 Evaluation Phase

The completion of the implementation phase concludes the transition from “old” to “new” processes, but not the end of the simplification initiative. The evaluation phase is intended to measure the effectiveness of process changes and usually consists of two stages:

Post-Initiative Assessment

This assessment is intended to determine whether the changes made have actually resulted in improvements (outcomes). The following factors should be considered:

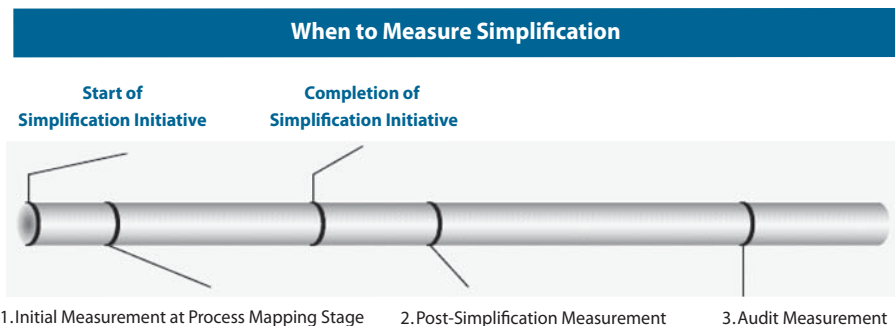
- Allow sufficient time to pass before an effective post-initiative assessment report is prepared. It should occur when results are expected, e.g. six months after the launching of simplified procedures
- Consider retention of independent evaluator
- Solicit feedback from internal and external stakeholders
- Compare results to original objectives and baselines, document positive and negative results from stakeholder feedback, lessons learned and draft recommendations for possible changes/improvements
- Disseminate evaluation results to key stakeholders.

Post-Implementation Assessment

This assessment is intended to ascertain whether the changes have resulted in positive impacts. Impacts may occur after a longer period of time, usually 12 to 18 months following the simplified process' implementation.

The assessment serves an audit function to ascertain whether there has been any deterioration in performance since the completion of the simplification initiative and may also uncover steps or requirements that have been reintroduced into the regulatory process.

FIGURE 27 When to Measure Simplification



Source: Simplification of Business Regulations at the Sub-National Level, IFC, 2006.

CONCLUSION

Evidence has shown that provincial governments have a vital role in translating policies and regulatory systems into reality. However, the self-motivation and innovation to adopt reforms to make life easier for businesses and citizens have resulted in different levels of economic development between provinces, as evidenced by PCI studies. With this in mind, this book is intended to introduce specific approaches and instruments to be used by provinces in their public administration reform efforts and in land development. Finally, there are a few things to take note of when using this book.

The case studies in the book are provided to provide a clearer picture of reform tools, alongside local and international good practices that may be used as reference points in public administration reform. They are, however, not necessarily all the existing best practices in Vietnam and other countries, given the limited scope of this book. The book is also not intended to formulate a “one and only” approach recommended for all provinces, since every reform approach has its own strengths and weaknesses. We hope the findings and analyses in this book will provide useful and effective information to help different provincial governments select and generate the most efficient strategy in relation to land development procedures, tailored to their specific needs.

The approaches and instruments introduced in this handbook are the most common tools in use and have proved their usefulness to municipal governments in their reform attempts, particularly in harmonizing and aligning land access and development permits procedures. They are, nevertheless, not the only tools available. The reform process may require a combination of these tools with others to make the process more efficient.

Reform is underway in a great variety of provinces. We are aware that in order to uproot the existing public administration reform problems, national level institutional reform will be instrumental. On a parallel note, in the long run, barriers and challenges associated with procedures that emanate from regulatory framework limitations should be tackled in a coherent and systematic manner on a national scale by national agencies. The good practices presented in this handbook may be used as a source of reference and to assist the decision-making process for adjustments to related regulations. As a result, new procedures will provide the highest possible efficiency, enshrining the principles of the rule of law.

Ultimately, process innovation only contributes one part to the success of the reform process, as the remaining and decisive part rests with the people putting the process into practice. The cooperation between different line agencies and the professionalism of public officials and employees are crucial factors to making any process successful. In order to generate momentum and promote these elements in driving reform ahead, effective management tools including emulation, awards, disciplinary treatment and incentives are vital and should go hand-in-hand with the reform process itself.

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