

UNITED NATIONS VIET NAM

ANNUAL REPORT 2010



Common Goals, Collective Action

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The partnership between the United Nations and Viet Nam is wide-ranging -- from disaster preparedness to the 2009 census, from women's empowerment to climate change. As one of eight “Delivering as One” UN pilot countries, Viet Nam is also at the forefront of our efforts to improve the coherence and effectiveness of our development work throughout the world. ”

UN Secretary-General Ban Ki-moon, at a State Banquet hosted by H.E. Mr. Nguyễn Minh Triết, President of the Socialist Republic of Viet Nam, Ha Noi, 28 October 2010

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FOREWORD

Dear Partners and Colleagues,

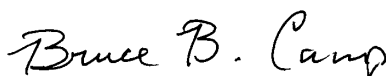
I am pleased to share with you the **2010 Annual Report for the United Nations in Viet Nam**. This report provides a summary of key development results achieved in 2010 and outlines substantive areas where the UN is contributing to a better life for the Vietnamese people.

In 2010, Viet Nam officially graduated to middle-income country status, an impressive achievement. Millions of Vietnamese citizens now enjoy a considerably higher standard of living than previous generations. Due in large part to the rapid response of the Government, Viet Nam has managed to ensure sustained growth even during the recent global financial crisis. Viet Nam remains one of the most dynamic economies in the Asia-Pacific region, and indeed in the world. At the same time, there are new challenges to be addressed, such as rising inflation and debt, climate change, gradually widening inequalities and a growing demand for decent jobs. Given the creativity and resilience of its people, I am confident however that Viet Nam will be able to successfully overcome these challenges.

With the new 2011-2020 Socio-Economic Development Strategy adopted at the 11th Party Congress and the draft 2011-2015 Socio-Economic Development Plan, Viet Nam is well-placed to continue moving ahead to achieve those Millennium Development Goals and other national goals where there is still need for more concerted action. Based on key national priorities and the UN's own comparative advantages, we are developing our 'One Plan' for 2012-2016 together with our national and international development partners. The next One Plan is more strategic, coherent and focused on the key areas where the UN will support Viet Nam to further strengthen national capacities through technical assistance and policy advice.

A key milestone in the global UN reform process, the High-level Tripartite Conference on Delivering as One, took place in June 2010 in Ha Noi. Hosted by the Government of Viet Nam, this important event brought together a wide range of representatives from Governments, donors and the UN. Participants took note of the lessons and recommendations from the 'Delivering as One' Country-Led Evaluations, acknowledging that the reform effort is resulting in improved coherence and aid effectiveness through more strategic focus and more harmonized programming at the country level. The *Statement of Outcome and Way Forward* adopted at the Ha Noi Conference marks a milestone in the overall UN reform process and represents a renewed commitment by all parties.

We very much appreciate the Government's leadership and the support of our donor partners. We look forward to continuing to work together with all our national and international partners to ensure that Viet Nam moves forward on the road to inclusive, equitable and sustainable development for all.



Bruce Campbell
Acting Resident Coordinator
United Nations Viet Nam





CHAPTER 1



INTRODUCTION

The 2010 Annual Report provides an overview of key development results achieved in 2010 with UN support. The report highlights how the UN is contributing to a better life for the people of Viet Nam by helping to address issues such as inequality and inequity, creating decent jobs, enhancing social protection, improving the quality of education and health services, and effectively responding to climate change and natural disasters. The UN is supporting Viet Nam in several ways, from providing global expertise and policy advice to technical assistance and capacity development in key priority areas.

All UN support is coordinated under the One Plan, a single planning framework that combines and synthesizes the work of the 14 participating UN organizations in Viet Nam. Through the One Plan for 2006-2011, the UN is supporting Viet Nam in achieving the national priorities identified in the country's 2001-2010 Socio-Economic Development Strategy (SEDS) and the 2006-2010 Socio-Economic Development Plan (SEDP). The UN together with other key stakeholders supported the design of the SEDS and SEDP which are geared towards realizing the Millennium Development Goals (MDGs) and other internationally agreed development goals. Currently the UN Country Team in Viet Nam is developing the One Plan for 2012-2016 in close consultation with all key national and international partners. The next One Plan will be more strategic, focused on measurable development results, building on the UN's comparative advantages, while strengthening the 'Delivering as One' approach.

The various sections of this Annual Report highlight the UN's work to support Viet Nam across a range of areas, and also demonstrate how the UN has been changing to work more effectively and efficiently. The report also highlights some of the important normative work undertaken by the UN to assist Viet Nam in implementing its international obligations, especially the various conventions and treaties signed as well as World Trade Organization (WTO)-related agreements. Furthermore, examples are provided of the UN's convening role in bringing national and international partners together and coordinating efforts to resolve critical development challenges.

This is the fourth UN Annual Report since 2007 that covers all UN support under the One Plan in Viet Nam. Rather than producing multiple reports for different Agencies, it was agreed from 2007 onwards to share the key results of UN support through one single annual report as part of a more harmonized approach. The 2010 UN Annual Report is based on the annual reports of the eight Programme Coordination Groups (PCGs) through which the UN works together with key partners in specific thematic areas. Since early 2010 the PCGs have been co-chaired by the UN and Government, while also engaging with a wide range of stakeholders. Mid-Year Reviews and Annual Reviews were held to assess

progress towards the achievements under the five 'Outcome Areas' of the 2006-2011 One Plan, identifying key results as well as any challenges and priorities for the following year. Enhancing coordination and reducing transaction costs, the reviews by these joint coordination mechanisms have replaced the Agency-specific annual reviews conducted previously. More detailed information on specific programmes can be found in the PCG 2010 Results Matrices.



CHAPTER 2



VIET NAM IN 2010: REACHING MIDDLE-INCOME COUNTRY STATUS

The year 2010 marked a significant milestone in the country's rapid development since the start of economic liberalization (*doi moi*) two decades ago: Viet Nam officially graduated to middle-income country status. The average annual income per capita reached US\$ 1,168 in 2010. Young and old have seen their country transform substantially since the 1980s, and most people now enjoy a considerably higher standard of living.

The 2010 Millennium Development Goals (MDG) report published by the Government highlights the significant progress Viet Nam has made towards achieving these goals. One example is the impressive reduction in poverty, from an overall poverty rate of 58 per cent in 1993 to around 14 per cent in 2008. According to the report, three out of eight MDGs have already been achieved, while the other goals are considered achievable by 2015, with the exception of those related to HIV and water and sanitation which are still considered 'difficult to achieve'. One of the major remaining challenges will be to ensure that inequities are reduced, both across geographical regions and between socio-economic groups.

Two years after the global financial crisis hit the world economy in September 2008, Viet Nam has consolidated its standing as one of the most dynamic economies in the Asia-Pacific region and worldwide. The annual GDP growth rate for 2010 was 6.8 per cent. A second Rapid Impact Monitoring survey conducted in 2010 confirmed that the Government's swift response during the early stages of the financial crisis was critical in helping stave off its worst effects. At the same time, the sustained economic growth of the last two years has partly been fuelled by a rapid credit expansion. This has resulted in an increasing public debt burden, persistent inflation and a growing current account deficit. The economic crisis drew attention to the fragile nature of Viet Nam's development and the fact that many people remain vulnerable to falling back into poverty. Also, certain parts of the population, in particular ethnic minority groups, still face a relatively high degree of chronic poverty.

As a middle-income country increasingly integrated into the world economy, Viet Nam will be able to take advantage of new opportunities, but will also have to deal with a range of emerging challenges. Addressing the effects of climate change, natural disasters, volatile investment flows, inflation, migration, communicable diseases and other challenges requires an approach beyond national borders. Therefore, inter-regional and international cooperation has become ever more important. The successful chairing of the Association of South-East Asian Nations (ASEAN) in 2010 demonstrated that Viet Nam is taking on an increasingly pro-active role in regional and international affairs.

As Viet Nam moves forward, the role of the State in economic as well as social sectors is likely to change in view of new expectations and demands, and in order to ensure sustained growth and effective protection of its citizens against potentially adverse market forces. As

in many middle-income countries, Viet Nam's institutional framework is already evolving, with the State becoming more of a 'steward' that facilitates, regulates and monitors the provision of a range of services rather than acting as a service provider itself, thus also generating the need for new and expanded policy, regulatory and enforcement capacity.

During 2010, the Government defined the country's medium and long-term strategic focus for the coming years with the formulation of the 2011-2020 Socio-Economic Development Strategy and the 2011-2015 Socio-Economic Development Plan. In addition, a number of draft policy frameworks were developed for the period 2011-2020, such as the Poverty Reduction Strategy, Labour Market Master Plan, National Social Protection Strategy, National Strategy on Gender Equality, National Population and Reproductive Health Strategy, Family Strategy, National Programme of Action for Children, National Drug Control and Crime Prevention Strategies. These were complemented by several five-year sector plans, for example in the area of education, health, child protection, human trafficking and climate change. The new policies and plans are designed to address some of the current challenges, such as the gradually growing gap between rich and poor, persisting gender inequality, high malnutrition rates and persistent maternal mortality in certain areas, the quality of education, legal and judicial reform, corruption, money-laundering, and creating decent jobs in the formal sector for the one million men and women joining the labour force every year.



CHAPTER 3



WORKING TOGETHER IN 2010 FOR VIET NAM'S DEVELOPMENT

This chapter provides an overview of the major development challenges addressed by the UN through the One Plan for 2006-2011, a single planning framework that combines the work of the 14 participating UN organizations. Through the One Plan, the UN is supporting Viet Nam to achieve its national goals as outlined in the SEDP and to attain the MDGs as well as implement the Millennium Declaration. Key results achieved under the five 'One Plan Outcome Areas' are highlighted, with several examples illustrating how the UN is providing global expertise, policy advice and technical assistance for capacity development in key priority areas.

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Viet Nam is a dynamic and rapidly changing country with an increasingly mobile population – mobile demographically, economically and geographically. As Viet Nam continues on its path of rapid, equitable and sustainable growth and continued poverty reduction, it will be critical both to ensure that no one is left behind, and to address rising disparities and inequalities of wealth and access to opportunities and services.”

UN Viet Nam Resident Coordinator John Hendra at the High-Level Discussion on Social Protection, Ha Noi, 14 October 2010



OUTCOME 1: EQUITABLE AND INCLUSIVE SOCIAL AND ECONOMIC POLICIES, PLANS AND LAWS

PUTTING PEOPLE AT THE CENTRE OF DEVELOPMENT

As a middle-income country, increasingly integrated into the world economy and an active member of the international community, Viet Nam will be facing different types of challenges moving forward. In response to requests from Government and other partners, the UN is increasingly providing tailor-made advice and specialized expertise in supporting national authorities to develop laws and implement their provisions, as well as to design, monitor and evaluate policies which are in line with international norms and standards.

The Government's swift response during the early stages of the global financial crisis was critical in helping stave off its worst effects. However, the effects of the crisis are still being felt, with signs of increasing inflation and a rising public debt burden. Overall, the economic slowdown showed the fragile nature of development in several areas.

Recent analysis of poverty figures and trends reveals that the profile of poverty in Viet Nam is changing. Overall, since the 1980s poverty rates have fallen consistently to below 15 per cent today. However, research reveals sharp disparities, as poverty reduction among ethnic minorities has been much slower. While constituting only around 15 per cent of the population, more than half of ethnic minority people still live in poverty today. Panel data shows that chronic and persistent poverty is concentrated among ethnic minority groups. The other 'face' of poverty is transient poverty, which has become increasingly prominent. In particular the 'near poor population' remains vulnerable to falling back into poverty, sometimes temporarily, due to unexpected shocks and crises. Emerging forms of poverty are observed among the urban population and migrants.

Enhancing Knowledge and Capacity for Evidence-based Policies

The UN, along with other development partners, has long advocated for a more multi-dimensional approach to address both chronic and transient poverty. With UN support the Government organized two key events last year, including a Poverty Reduction Policy Dialogue (May 2010) and the Ethnic Minority Development Forum (December 2010), widely considered as important advocacy milestones. In 2010, the Government also revised Decree 67 which aims to assist chronically

Box 1: Introducing 'Near Poor' Poverty Lines

In 2010, the National Assembly approved the introduction of a second set of official 'near poor' poverty lines which are 30 per cent higher than the official poverty lines. This represents an important step towards a differentiated approach to targeting, one that is necessary to address the increasingly heterogeneous nature of poverty in Viet Nam. The UN and other development partners have long advocated for a more multi-dimensional approach to addressing both chronic and transient poverty.

The 'near poor' poverty lines will give the Government greater leeway in expanding eligibility criteria for specific forms of assistance, for example when determining eligibility for 'near poor' health insurance cards. This has the potential to increase the number of beneficiaries of certain interventions and to offer greater support to those living near the poverty line who may be vulnerable to falling back into poverty as a result of unexpected shocks and crises.

poor, vulnerable, and disadvantaged people including abandoned children, children living in HIV-affected families, and children with disabilities. The revision involved a widening of eligibility criteria and a considerable rise in benefit levels. Furthermore, the National Assembly approved the upwards revision of the monetary poverty lines as well as the introduction of a second, higher set of official 'near poor' poverty lines (see Box 1).

In terms of capacity development, the UN supported a comprehensive assessment of the National Statistical System. This informed the 2011-2020 Viet Nam Statistical Development Strategy which ensures better linkages and coordination between data users and producers, and improves the quality of data collection, analysis and dissemination. With UN technical and financial assistance, the General Statistics Office (GSO) included an analysis of multi-dimensional child poverty in the 2008 Viet Nam Household Living Standards Survey (VHLSS) report, published in 2010. Relevant indicators were incorporated into the design of the 2010 VHLSS, a key source of information for policymakers. In addition, a second Rapid Impact Monitoring survey to assess the social impact of the global economic crisis was conducted in 2010 as a joint exercise by the Viet Nam Academy of Social Sciences (VASS), the UN, World Bank and Oxfam. The 2010 Urban Poverty Survey also reflected the use of multi-dimensional approaches to poverty measurement. At both national and sub-national level, the UN made significant contributions to increasing institutional capacity for evidence-based and participatory ethnic minority policy formulation and monitoring.

During 2010 the GSO disseminated the key findings and analysis of the 2009 Population and Housing Census through a series of monographs on education, the age-sex structure, migration, urbanization, and the sex ratio at birth. Furthermore, the UN supported the drafting of Viet Nam's 2010 Millennium Development Goals Report, which was presented by the Government and well-received at the high-level MDG Summit in September 2010 in New York. All this new information in several areas was taken into account in the formulation of new policies and strategies.

Developing Inclusive Socio-Economic Policies

During 2010 the UN supported Viet Nam's various strategic planning processes, including the 2011-2020 SEDS, the 2011-2015 SEDP and a variety of sector plans. Many UN Agencies have been supporting these processes in different ways, from providing relevant global experiences and expert advice, to the generation of data and advocacy for more participatory, analytical and evidence-based processes. Some key policies include the Poverty Reduction Strategy, National Employment Strategy, National Social Protection Strategy, National Strategy on Gender Equality, National Population and Reproductive Health Strategy, Family Strategy, and the National Programme of Action for Children. In addition, several five-year sector plans were developed, such as for education, health and child protection.

In the area of social policy, social security and social protection, the UN supported Viet Nam in generating and disseminating new knowledge in 2010, in particular in the areas of urban poverty, active labour market policies, education, internal and international migration, the impact of the global financial crisis and the situation of children in Viet Nam. A number of analytical papers were produced to underpin social policy formulation, contributing significantly to the quality of stakeholder consultations. With the one-year implementation review of the newly established unemployment insurance (UI) scheme, the UN assisted the Government to identify key design and implementation gaps and provided support to improve the legal framework and institutional arrangements of the scheme. A new circular was issued to facilitate implementation and access to UI benefits for unemployed workers.

Promoting Quality Economic Growth and Employment

To further improve the quality of growth in Viet Nam, the UN is helping the Government and the private sector to increase the quality of products and improve business practices, adopt international standards, and enhance the quality of higher, technical and vocational education and training (VET).

In the area of international trade policy, a master plan for economic diplomacy was developed as well as a related knowledge network involving stakeholders in and outside Viet Nam to share good practices. As a result, Vietnamese companies and government agencies will be better equipped to negotiate business deals and promote exports while complying with international norms and standards under WTO regulations. The UN also strengthened capacities for conducting regulatory impact assessments, and supported the establishment of a food traceability system in a number of pilot companies as well as the development of codes of conduct in key sectors such as garments, footwear and electronics. In addition, with UN support an industrial competitiveness network was established in the Ministry of Industry and Trade (MOIT) to conduct training on industrial and trade statistics.

Since a healthy investment environment is critical for sustainable economic development, the UN is assisting the Ministry of Planning and Investment (MPI) and the Foreign Investment Authority to ensure a non-discriminatory investment situation by 2012 in accordance with WTO rules. The aim is to maintain and further enhance Viet Nam's position as a destination of choice for investors looking to expand in Asia. Through the established Viet Nam Investment Monitoring and Management Platform (VIMP) tailor-made investment promotion strategies have been developed, with the emphasis gradually shifting from quantity to quality of investment to optimize the impact of investment on the domestic economy.

To further improve public financial management and enhance capacity in policy analysis, the UN provided continued support to the Policy Advisory Group (PAG) in the Ministry of Finance (MOF) in 2010. Based on in-depth research and analysis, the PAG provides tailor-made policy advice to the Minister of Finance on key issues related to public financial management, including macro-economic modelling and forecasting. This policy advisory function has now been further institutionalised through the establishment of the National Institute of Finance in 2010.

In the area of employment and enterprise development, the UN provided technical advice for the development of the new National Employment Strategy, the Labour Market Master Plan as well as the Science, Technology and Innovation Strategy for 2010-2020. Taking into account labour market needs in the development of socio-economic policies, these initiatives acknowledged the importance of balancing measures aimed at formal and informal sector workers. Targeted assistance was also provided to take employment policies into consideration in specific programmes and institutional reforms. Through pilot projects the

Box 2: Reforming Viet Nam's Business Registration System

As a concrete result of the establishment of a single, consolidated National Business Registration System (NBRS), the cost and time to register a business in Viet Nam has been substantially reduced. With UN technical and financial assistance, a new independent Agency for Business Registration was set up in the Ministry of Planning and Investment. Whereas until 2010 entrepreneurs had to go through four different Government ministries and agencies, there is now a single-point service with standardized and simplified registration procedures. Entrepreneurs obtain one unique enterprise code and the NBRS database allows nationwide access to information on the legal representation and financial status of enterprises. This enhances the oversight and development of specific policies targeted at businesses. The paper-based data of all enterprises in Viet Nam was transferred successfully to the NBRS, which currently includes over 620,000 enterprises.

particular needs of informal, rural, migrant and women workers were addressed, while participatory approaches and inter-ministerial collaboration helped to promote the creation of jobs for young people in rural areas.

The reform of the Labour Code and Trade Union Law was also supported through technical advice and a series of policy dialogues. This was complemented by the 'Better Work Programme Initiative' in selected factories to promote compliance with international core labour standards through social dialogue. Furthermore, specific policy advice and capacity development of Government agencies, workers' and employers' organizations were provided to ensure a conducive regulatory and policy framework for private sector development and foreign direct investment.

In terms of capacity development, UN support focused on business registration reform (see Box 2) as well as SME (small and medium-sized enterprises) cluster development. Through industrial clustering SMEs increase specialisation and cooperation, and thus their competitiveness and efficiency. Successful pilot initiatives were undertaken in three of the main export-oriented sectors: garments, footwear and furniture. At the same time, international business partnerships were promoted and local representative associations, training and service institutions strengthened to create an enabling environment. Assistance was also provided to the National Labour Market Information Centre to facilitate the analysis of labour market data and linkages with provincial centres. The UN-supported Joint Programme on Green Production and Trade completed baseline surveys on raw material suppliers and grassroots craft producers, finalised in-depth value chain studies on five craft product sectors, and produced an assessment of occupational safety and health conditions of craft producers. In addition to supporting craft producers with targeted entrepreneurial training and business group formation, a variety of companies in selected provinces were trained in the adoption and adaptation of cleaner production and sustainable design, business development, and local economic development in relation to value chains.

Strengthening Population and Reproductive Health Policies

The development of the National Population and Reproductive Health Strategy for 2011-2020 and the preparation of guidance for subsequent provincial action plans were key priorities for UN support in this area. The national strategy addresses emerging issues such as the imbalance of the sex ratio at birth, migration, ageing and the need to further improve the quality of sexual and reproductive health services and commodities. More specifically, technical input was provided for the strategy in terms of increasing access to contraceptives for vulnerable groups, meeting the unmet needs for sexual and reproductive health services, including family planning (especially for young people and ethnic minority women), and strengthening the health care system's response to gender-based violence as well as climate change. As a result of continued advocacy by the UN and key Government stakeholders, reference to the issue of the two child policy was removed from the new strategy, and the policy implications of demographic change were discussed in the mass media and relevant policy forums of Ministries, the National Assembly and the Party.

Elected Officials of the National Assembly and members of the Party Commission on Education and Propaganda were sensitised on population issues such as migration, urbanisation, ageing, the 'population bonus' and the imbalanced sex ratio at birth. With UN technical assistance analytical work on disparities, inequality and vulnerability based on 2009 Census data and other sources was disseminated and discussed with key policy makers, providing them with evidence to adequately respond to demographic change in Viet Nam. The capacity of staff in the population and family planning system and in selected universities (Ha Noi, Da Nang and Can Tho) was enhanced through training in research methodologies on population and development issues.

Creating an Enabling Environment for the National Response to HIV

During 2010 the UN continued advocating for a stronger response to address the serious issue of stigma and discrimination against people living with HIV. To address stigma and discrimination in schools, the UN assisted the Ministry of Education and Training (MOET) to develop and distribute a booklet and facilitators' guide entitled 'Facts on Children and HIV and AIDS' throughout the national education system. A total of 3,000 schools in all provinces received copies of the booklet. Furthermore, the UN supported MOET in strengthening the capacity of the non-formal education sector and its network of 10,000 Community Learning Centres to promote accurate HIV prevention information and address stigma and discrimination. As a result, 89,000 students in five provinces were able to explain how HIV is transmitted and ways to prevent it, while also demonstrating more positive attitudes and respect for people living with HIV. As a result of joint UN advocacy efforts, MOET has committed to integrate gender, sexuality education and HIV into the 2011-2020 Education Development Strategy.

The UN also supported the development and dissemination of a toolkit to assist those who work with service providers, community leaders, educators, social workers, men who have sex with men, and transgender people to facilitate social acceptance and reduce stigma. Furthermore, support was provided to the Ministry of Labour, Invalids and Social Affairs (MOLISA) through the Viet Nam Chamber of Commerce and Industry (VCCI) and the National Business Coalition on AIDS (NBCA) to conduct a programme on HIV-related stigma and discrimination at the workplace to increase the involvement of enterprises in the HIV response.

In 2010, UN technical assistance was provided to MOLISA to review its approach to more effectively address HIV in sex work and to develop a five-year Plan of Action which emphasizes harm reduction. This new approach is expected to enhance universal access to sexual, reproductive health and HIV services for the general population, and most-at-risk populations in particular. Furthermore, the UN supported the following HIV-related legislative and policy initiatives through direct technical assistance and facilitation of consultations with civil society: the Decree on Sanctioning of Administrative Violations in the Health Domain; Ministry of Health (MOH) circular on compulsory HIV testing; and an inter-ministerial circular on patients with advanced HIV infection.

Leadership and coordination of the HIV response at national and provincial level was strengthened through support to the National Committee on HIV, Drugs and Sex Work Prevention and Control and to the establishment of three new HIV Prevention and Control Committees in Can Tho, Dien Bien and Son La. In addition, the UN supported Viet Nam in conducting a comprehensive evaluation as well as a gender assessment of the National Strategy on HIV Prevention and Control 2004-2010, which laid the foundation for the formulation of the next national strategy.

Promoting Gender Equality and Women's Empowerment

In December 2010 the Government approved the National Strategy on Gender Equality for 2011-2020. The strategy was formulated with UN technical and financial assistance. Support was also provided to the 10-year review of the National Plan of Action for the Advancement of Vietnamese Women 2000-2010 and Viet Nam's review of 'Beijing+15' for the UN Commission on the Status of Women. The Government and UN organised a policy dialogue session with the Vietnamese delegation upon return from the Commission meeting to share new research on gender equality issues. The draft 2011-2020 National Strategy on Family was also formulated by the Ministry of Culture, Sports and Tourism (MOCST), and submitted to the Prime Minister for approval. The Gender Action Partnership continued to act as a forum for coordination and information sharing among Government, donors, UN and civil society organizations working on gender equality.

In September 2010, the UN commissioned a gender analysis of the draft 2011-2015 SEDP with recommendations on how gender could best be mainstreamed in the SEDP. The review was a collaborative process whereby members of the Gender Programme Coordination Group, co-chaired by the Government and UN, provided technical inputs as a basis for an analysis by national experts. The report was shared with members of the National Assembly Committee for Social Affairs and the MPI as the Government coordinating agency for the SEDP. Furthermore, throughout the year tailor-made training was provided to Government and UN staff on the issue of gender and HIV.

In 2010, the UN-supported Joint Programme on Gender Equality (2009-2011) contributed in various ways towards the implementation of the Gender Equality Law and the Domestic Violence Law. A monitoring and evaluation framework was developed for the two laws and through specific training duty bearers enhanced their skills and knowledge to effectively implement both laws. The Joint Programme also strengthened overall coordination on gender equality issues by providing capacity development and networking opportunities for key stakeholders, including media professionals.

Out-migration of women for work is a growing phenomenon in Viet Nam, and in response the UN has provided targeted training on gender equality and human rights to Government agencies, the Women's Union, the media, recruitment companies and officials responsible for managing international labour migration at both national and local levels. An exchange of global good practices through study visits increased the awareness of key stakeholders on how to improve the rights of Vietnamese women migrant workers.



OUTCOME 2: QUALITY SOCIAL AND PROTECTION SERVICES

ENSURING ACCESS TO QUALITY SOCIAL AND PROTECTION SERVICES

During the last two decades Viet Nam has made impressive progress towards the Millennium Development Goals. According to the Viet Nam 2010 MDG Report, three out of eight MDGs have already been achieved, while the other goals are considered achievable by 2015, with the exception of those related to HIV and water and sanitation, which are still considered 'difficult to achieve'. At the same time, progress has not been equal for everyone in all parts of the country. Therefore, ongoing and targeted efforts will be needed to meet all the MDG targets. UN support focuses on increasing access for vulnerable and disadvantaged groups to social services, including health, education and social protection.

Towards a More Equitable, Healthier and Safer Society

Assisting the Government in pursuing equity in health through universal social health insurance is one of the UN's strategic priorities as the scheme is a critical instrument for removing financial barriers to accessing health care. In 2010 support focused on improving the benefit package of social health insurance to better cover vulnerable groups, and to strengthen the capacities of officers managing provincial health insurance funds. In addition, new health financing data became available with the National Health Accounts, now updated to 2008. The UN also supported the MOH in developing decrees and guidance on the implementation of the health insurance law and the broader benefit package. At the same time, support was provided to the National Assembly in key areas such as health financing policies and pharmaceutical price control.

Health technologies and products play an increasingly important role in health care provision. Related to this, the UN developed a framework for strategic collaboration on pharmaceutical drugs. In 2010, a joint Government-UN collaboration agreement was signed to promote the local production of pharmaceuticals. In addition, rational use of drugs, safety and quality assurance has been promoted through the launch of the Viet Nam Pharmaceutical Sector Bulletin, the development of a drug registration handbook and the launch of the 'Be Safe with Medicines' programme to promote medication safety. A number of blood safety policies, standards and guidelines were also developed, together with models for human resources and costing for blood services.

The UN continued to support a multi-dimensional approach to injury prevention and road safety. Public awareness was raised through advocating various key messages on child injury prevention, especially on the prevention of drowning, the importance of children wearing motorbike helmets and road trauma caused by drinking and driving. At the same time, the capacity of staff from several ministries (MOLISA, MOH and MOET) in selected provinces and districts was further strengthened through implementation of the 'Safe Communities' model including how to prevent common child injuries and how to develop action plans for injury prevention. At national level, the Vietnam National Injury Survey was initiated with technical and financial support from the UN, with results expected in 2011.

In 2010, the first nationally representative Global Adult Tobacco Survey was undertaken in Viet Nam with UN assistance. The survey found that more than 15 million adults currently smoke tobacco, while 33 million non-smokers are exposed to tobacco smoke at home and a further 5 million people are affected at the workplace. Together with other development partners, the UN has long advocated for addressing non-communicable diseases and their risk factors. As one step forward the Law on Tobacco Control is now on the National Assembly agenda for 2011.

In response to an in-depth survey on border security issues along the borders between Viet Nam, Cambodia and Thailand, the UN supported the development of targeted programmes to better address human trafficking and the trafficking of drugs, wildlife and timber. This has led to improved cooperation and information sharing as well as enhanced operational effectiveness of border and customs officials and law enforcement officers.

In the area of water, environment and sanitation, progress was made on a number of fronts. The Rural Water Supply and Sanitation (RWSS) National Target Programme 3 has been submitted to the Prime Minister for approval and the RWSS strategy is being updated. The Rural Water Quality Management Programme was developed by the Ministry of Agriculture and Rural Development (MARD), while Water Safety Plans and Community-Led Total Sanitation (CLTS) initiatives were developed in selected provinces with UN support. An action plan was developed and capacity built for household water treatment and storage.

The adoption by the National Assembly of the Food Safety Law in June 2010 can be considered a milestone for food safety management. The law was developed based on inputs from national and provincial stakeholder consultations supported by the UN and other development partners. The law contains overarching principles for food safety and consumer protection and provides a sound legal framework for more specific regulations. Targeted assistance has been provided to set up food safety inspection systems and strengthen the surveillance and diagnostic capacities of both national and provincial laboratories. To ensure a strategic focus, development of the National Food Safety Strategy for 2011-2020 was initiated in 2010 based on a UN-supported survey analyzing the core parameters influencing food safety management in Viet Nam.

Better Reproductive Health and Nutrition

Several aspects of policies and services in sexual and reproductive health care were strengthened in 2010. The National Population and Reproductive Health Strategy for 2011-2020 was developed based on updated national and international evidence and lessons learned from the implementation of the previous strategy. National standards and guidelines for reproductive health services and national guidelines for emergency obstetric and newborn care were formally approved, disseminated and advocated for nationwide application to improve and maintain the quality of services at specific service delivery points. In addition, maternal mortality audit guidelines were also developed to provide clear guidance to sub-national health authorities on how to monitor and technically backstop safe motherhood programmes.

To support the MOH and other line ministries, operations research was conducted in several areas, including a national review of skilled birth attendants, a review of health care policies for ethnic minorities and research on reproductive health commodity security. The UN also supported the Government to improve human resources in the area of sexual and reproductive health, including in ethnic minority areas. For example, a competency-based midwifery programme at college level was developed and piloted in several provincial medical colleges.

Through continued advocacy by the UN and other stakeholders, sexual and reproductive health issues, including the imbalanced sex ratio at birth, are being more openly discussed in the mass media. In addition, monitoring and evaluation guidelines were developed in 2010 to improve the quality of health communication programmes at the community and household level.

An UN-supported programme in seven provinces improved the access and utilization of nationally standardised reproductive health information and services at the local level. In addition, specific training was provided to a substantial number of ethnic minority midwives who now provide maternal health care directly in villages in three provinces. The availability of reproductive health-friendly services and information for unmarried young people and migrants in selected localities, including schools and communities, was also improved through UN support.

In May 2010, a joint Government-UN monitoring mission was undertaken to Ha Giang Province to review and identify ways of improving maternal and child health. A number of recommendations were identified to strengthen coordination and provision of health information and its utilization, and ensure sustainability of key interventions. As a result, the availability and quality of services for safe motherhood have been improved in selected provinces and districts, particularly emergency and obstetric newborn care. In addition, newborn care packages were harmonized with primary health care services and guidelines developed to support sub-national level implementation of the National Plan of Action for Accelerated Child Survival.

Also, with UN support, Measles Supplementary Immunization Activities (SIAs) were conducted in all 11,138 communes of Viet Nam as part of the nationwide campaign to eliminate the disease and interrupt measles transmission. The initiative reached many people who had not been vaccinated in the past. As a result, a total of 7,034,895 children from 1 to 5 years of age were immunised against measles. In close collaboration between the MOH and the UN, a new vaccine, supported by the Global Alliance for Vaccines and Immunisation (GAVI), was introduced nationwide in June 2010.

The 2011-2020 National Nutrition Strategy, developed with technical and financial support from the UN and other development partners, includes a strong focus on reducing the prevalence of stunting. Integrated Management of Acute Malnutrition (IMAM) guidelines were developed and piloted in selected hospitals and communities as part of the stunting reduction strategy. Through advocacy and partnerships between the National Assembly, the UN, other development partners, civil society organizations and the private sector, substantial progress was made in promoting better maternal and child health and nutrition, for example through universal salt iodization, flour fortification, promotion of breastfeeding and the development of a Government decree on health insurance payment for nutrition services and medicines for children under the age of six.

Scaling up HIV Services

Over the last couple of years significant achievements have been made in scaling up universal access to HIV prevention, treatment, care and support services. The 2010 MDG Progress Report nevertheless showed that Viet Nam is unlikely to reach MDG Goal 6 (halt and reverse the spread of HIV by 2015) unless access to prevention services - particularly for key populations at higher risk - is significantly scaled up. The 2010 UNGASS progress report shows that only a limited number of men who inject drugs, men who have sex with men and female sex workers have access to prevention programmes in Viet Nam. In addition, access to anti-retroviral treatment is still limited, as well as access to programmes to prevent mother-to-child transmission. The UN has supported national partners to promote

Box 3: The HIV Response: Joint Advocacy and Monitoring Mission to Dien Bien Province

In November 2010, a delegation led by Deputy Prime Minister Truong Vinh Trong and composed of Government representatives, Ambassadors and UN Agency Heads, visited Dien Bien Province to obtain a better understanding of the HIV epidemic in the province. The field visit provided an excellent opportunity for advocacy through the Ambassadors/UN Heads of Agencies Informal Coordination Group on HIV, supported by the UN, for an accelerated HIV response, including harm reduction for people who inject drugs.

By visiting a range of sites – including the provincial capital Dien Bien Phu and the surrounding countryside, a commune health station, homes of villagers affected by HIV and illicit drug use, and the province's first methadone clinic – the delegation members gained in-depth appreciation of the multiple challenges faced by an HIV response in a mountainous, sparsely populated province with high levels of poverty, HIV prevalence and injecting drug use.

The delegation applauded provincial leaders for their efforts to reduce poverty and expand HIV-related services. The delegation also commended IDU peer educators, health workers and members of local "Sunflower" support groups of women living with or affected by HIV for their excellent work in delivering HIV and drug addiction services, while fighting stigma and discrimination. At the end of the field visit, the Deputy Prime Minister made a personal pledge to lead the national roll-out of methadone maintenance therapy to 30 provinces and 80,000 patients, and particularly the expansion of methadone services in Dien Bien. He also called on the Provincial People's Committee to intensify awareness-raising campaigns to ensure access to health services for people living with HIV as well as people who inject drugs.

and pilot greater HIV service integration - through advocacy, training, joint supervision and monitoring - as well as mobilize civil society, especially key affected populations and people living with HIV.

The UN supported the Ministry of Education and Training (MOET) to strengthen the institutional capacity for a sector-wide response to HIV through the first ever inter-departmental coordination mechanism. As a result, MOET successfully coordinated the planning and implementation of the 2010 Joint Work Plan for HIV, including activities funded by the Government and with contributions from development partners. In addition, the ministry initiated the development of a monitoring and evaluation framework, a major step to strengthen the sector's capacity for systematic planning of and reporting on HIV prevention activities.

During 2010 the HIV PCG advocated for and provided technical assistance to develop improved national guidelines for Methadone Maintenance Therapy (MMT), an expansion in the number of MMT sites and stronger links between MMT and Anti-Retroviral Treatment/Tuberculosis services. In addition, with UN support, senior Government officials and civil society representatives participated in the 2010 International AIDS Conference in Vienna and the 2010 International Harm Reduction Conference in Liverpool, while also learning from experiences of colleagues in Austria and Spain. One of the results was a greater awareness of international standards for the provision of HIV, health and other services in prisons and other closed settings. This paved the way for discussions with key stakeholders in 2011 regarding a comprehensive package of services, including methadone, in prison settings.

Box 4: Mother Tongue-based Bilingual Education for Ethnic Minorities

One of the main challenges faced by ethnic minorities in the classroom is the language barrier. As Vietnamese is the official language to be used in schools, it often prevents those who do not speak the language well from fully engaging in learning. To overcome this challenge, the UN supports a Mother Tongue-based Bilingual Education (MTBBE) programme in Lao Cai, Gia Lai and Tra Vinh provinces. Education for ethnic minority students in their mother tongue is an effective step in overcoming existing and growing disparities in Viet Nam and a means to ensure quality, inclusive and equitable education for all. As the Independent Expert on Minority Issues, Ms. Gay McDougall, noted during her official visit to Viet Nam in July 2010: “The Introduction of bilingual education in the regions where minorities live would help minority children to make better early progress and provide strong and culturally appropriate foundations for their future schooling.”

Results from a students’ learning assessment conducted in May 2010 show that the MTBBE approach has been instrumental in preparing students to achieve better learning outcomes. Teachers, principals and education managers have pointed to the improved ability of students to understand concepts and speak more confidently in class in their mother tongue on a variety of topics. In addition, teachers have also benefitted from the MTBBE initiative as they learned certain techniques to make learning more dynamic using a child-centred approach. For parents and communities, there is great satisfaction to see the development of children’s literacy in their mother tongue - an opportunity they never had - as well as the promotion of their local culture and heritage.

Improving the Quality of Learning

In the education sector, Viet Nam is shifting the policy debate from quantity of access to improved quality of learning, thereby addressing equity in learning outcomes and the move to evidence-based policymaking, among other issues. This quantity-to-quality shift is in line with broader changes in Official Development Assistance to middle-income countries. The focus on education quality will also support Viet Nam’s workforce in developing skills and competencies to keep pace with evolving socio-economic demands, and it advances the country’s efforts towards meeting outstanding commitments to international conventions.

The first ‘Viet Nam Forum on Lifelong Learning’, organized with UN support in 2010, was one of many quality initiatives. The Forum brought together more than 400 national and international experts as well as policy-makers from the National Steering Committee on Building a Learning Society. To further enhance lifelong learning, the Forum agreed on specific actions, including increased awareness raising and better training for teachers in the non-formal sector. In order to strengthen management capacity in the education sector, the UN assisted MOET to initiate the establishment of a Quality Assurance and Accreditation (QAA) mechanisms for higher education based on national initiatives and international best practices.

To improve the quality of education for vulnerable and disadvantaged groups, three important policy initiatives took place in 2010. Firstly, the Government approved a decree to teach ethnic minority languages as a subject and to provide assistance to teachers who teach ethnic minority languages in school. This is a key step in addressing the needs of ethnic minority learners. Secondly, MOET promulgated a circular which supports the organization and operation of semi-boarding schools for ethnic minority children. The circular also requires that the Government ensures that these schools have adequate facilities. Thirdly, in June 2010 the National Assembly approved the Law on Persons with Disabilities. This law recognizes inclusive education as a rights-based approach towards providing educational and development opportunities for all children in inclusive settings.

At the International Conference on Language, Education and the MDGs, held in Bangkok in November 2010, a delegation comprised of high-level officials from the National Assembly, the Committee for Ethnic Minorities (CEMA) and MOET shared experiences with Mother Tongue-Based Bilingual Education (MTBBE) for ethnic minorities in Viet Nam (see Box 4). This initiative, carried out with UN support, was recognized as a good practice by conference participants. In addition, the results achieved so far in the area of MTBBE for ethnic minorities were acknowledged at a one-day round table meeting with over 100 participants, including five standing Vice Presidents, 22 members of the National Assembly Committee on Ethnic Minorities and 15 senior officers from the National Assembly Office. It was recognized that children learn best in their mother tongue, and agreed that the National Assembly will undertake regular visits to monitor the MTBBE initiative.

Emphasizing the link between the supply of skilled labourers through training and the demand for skilled labourers by industry, the UN has supported the Government to improve and considerably enhance expertise in the vocational education system – through teacher training, incorporating a student-based, active learning approach and capacity development of VET institute managers. The piloting of National Skills Standards for selected trades introduced, for the first time, skills for supervisory, higher technical and management level staff as well as for skilled workers.

Improving Protection Services

During 2010 the UN advocated strongly for a ‘basic floor’ of social protection for all Vietnamese. One of the key events in this regard was the visit of Ms. Michelle Bachelet as chairperson of the National Social Protection Floor (SPF) Advisory Group in October 2010. The SPF framework is critical for priority setting and implementation of the National Social Protection Strategy.

In the area of legislation and policies for child protection, the UN provided technical assistance to develop the 2011-2015 National Programme on Child Protection, the 2011-2020 National Programme of Action on Children, and the revision of the decree guiding implementation of the Law on Protection, Care and Education of Children. In 2010 the new Law on Child Adoption was passed, substantially reforming the inter-country adoption system to make it more transparent and in line with international conventions. The UN had been advocating for this reform since 2009 and is currently assisting the Government to effectively implement and monitor the law.

The UN also provided continued support to the development of the social work profession. An important milestone was achieved in 2010 with the approval of the 2011-2020 National Programme on Development of the Social Workers’ Job Codes, the development of a curriculum on social work vocational training, and the development of five social work service centres in five provinces, as well as community-based child protection systems in selected communes in five provinces. Policy advice was also provided for the draft Law on Persons with Disabilities and the respective sub-laws, the Policy on Foster Care, and on minimum standards of care in institutions. Within the context of the National Child Protection Strategy, technical expertise was provided to support national partners to comply with the ratified international standards on the elimination of child labour.

With regard to human trafficking, the UN assisted the Government to further strengthen the legal and policy framework through a draft Law on Prevention and Combating Human Trafficking, a draft National Plan of Action against Trafficking in Humans, and a bilateral agreement on cooperation against human trafficking signed between Viet Nam and China. In addition, training was provided to border guard officers from the border provinces with Cambodia and China on child-friendly interview techniques and (inter)national laws related to human trafficking.

Joint Efforts to End Violence Against Women

The passage in 2007 of the Law on Domestic Violence Prevention and Control can be considered a historic milestone for Viet Nam, providing protection for women and their families to live a life free of violence. In 2010 the first national survey on domestic violence was conducted by the General Statistics Office with substantive UN support through the Joint Programme on Gender Equality. This baseline survey found that 34 per cent of ever-married women reported having experienced physical and/or sexual violence in their lifetimes. The survey findings were shared with the Party's Central Committee and a roundtable forum held with policymakers and media representatives to discuss prevention efforts. During a consultative stakeholder workshop, strategic directions on how best to address gender-based violence in Viet Nam were agreed to for the period 2011-2016.

UN-supported programmes on Gender-Based Violence (GBV) and Domestic Violence Prevention (DVP) achieved significant progress at national as well as sub-national level. Gender-based violence was integrated into the National Family Development Strategy 2011-2020 and Vision to 2030. In addition, GBV indicators for data collection and reporting at health facilities were developed for integration into the MOH's Health Management Information System. A training programme on GBV prevention and response to GBV was developed and integrated into the curriculum for Nursing Colleges.

At the sub-national level, health providers at two district hospitals and twelve commune health centres continued screening all female clients for gender-based violence and provided counseling as well as referral services to victims. The UN also worked with the Ho Chi Minh Northern Youth Union to pilot a model project in Da Nang City to engage men and boys in domestic violence prevention, for example through after-school meetings where students discuss gender equality issues. Based on the positive response from the Youth Union, there are now plans to replicate this model in other provinces.



OUTCOME 3: **ENVIRONMENTAL** **PROTECTION AND** **RATIONAL MANAGEMENT** **OF NATURAL AND** **CULTURAL RESOURCES**

SUSTAINABLE DEVELOPMENT FOR CURRENT AND FUTURE GENERATIONS

With a sustained economic growth rate, a still growing population and accelerating industrialization and urbanization, Viet Nam faces a major challenge to ensure a sustainable and balanced development path. The country's unique natural and cultural heritage is coming under increasing pressure from the dynamic pace of development. However, through appropriate and pro-active interventions, such as promoting 'green production' and technological innovations, Viet Nam can also create new opportunities.

Climate change is among the greatest challenges as Viet Nam is extremely vulnerable to the effects of rising sea levels, salinisation of river mouths, and the increasing frequency and severity of floods, droughts as well as typhoons. The impact is being felt by people in both rural and urban areas.

In 2010, the UN contributed in several ways to the development and implementation of legal frameworks, policies and strategies that respond directly to the main challenges of sustainable development, especially those faced by the most vulnerable people in Viet Nam. With UN support, concrete results were also achieved in better managing natural and cultural resources.

Addressing Climate Change

The UN-REDD Programme (Reducing Emissions from Deforestation and Forest Degradation) is one of the major global initiatives to address climate change. Viet Nam was selected as one of the initial pilot countries in 2009. With UN support, MARD produced a first draft of a national strategy on REDD+ in 2010. This 'National REDD+ Programme' (NRP) is expected to be officially approved in 2011. To prepare for its implementation in Viet Nam, the UN-REDD Programme piloted consultation sessions with local forest communities to seek their 'Free, Prior and Informed Consent' (FPIC) with regard to REDD+ activities. FPIC is a rights-based principle, in particular an expression of the right to land, territories and natural resources, in accordance with the UN Declaration on the Rights of Indigenous Peoples to which Vietnam became a party in September 2007. One of the key components of REDD+ is to compensate forest owners or forest users for the foregone benefits when forests are preserved rather than cut down. For more details see Box 5.

To promote public awareness on climate change in a more systematic and effective way, the Ministry of Natural Resources and Environment (MONRE), with UN technical support, developed the first National Communication and Awareness Raising Strategy and Plan for 2011-2015. In addition, a number of sector and provincial strategies and action plans on climate change were developed through a consultative process with key stakeholders. MONRE completed the first national capacity needs assessment for responding to climate change that will form the basis for a specific action plan on capacity development. Overall, the coordination of donor support to climate change was further improved during 2010 through regular high-level policy dialogues between a diverse range of development partners and Government agencies, with the UN playing a convening and facilitating role.

Box 5: UN-REDD+: Preserving Forests for Sustainable Development

The UN-REDD initiative aims to reduce emissions from deforestation and forest degradation and promote socio-economic development and poverty alleviation in forestry areas. Phase I of the programme in Viet Nam started in August 2009 to prepare for implementation by putting in place the necessary institutional arrangements, including appropriate legislation and a national strategy.

As part of Phase I consultation meetings were organized in 78 villages in Lam Dong Province between April and June 2010. These consultations gathered over 4,000 people from local communities, including about 30 different ethnic groups. As a result, local forest users are now more aware of sustainable forest management and the REDD+ initiative while also increasingly empowered to make decisions related to actions that have a potential impact on the land and natural resources they depend upon.

The proposed Phase II (2012-2015) intends to introduce REDD+ in the 40 most forested provinces of Viet Nam while supporting full-scale implementation in six provinces. Based on the recommendations from a comprehensive study, a 'benefit distribution system' (BDS) will be set up to make specific payments to forest owners and forest users on the basis of their involvement and actual net reduction in carbon emissions.

Sustainable Management of Natural and Cultural Resources

The formulation of Viet Nam's new Law on Energy Efficiency benefited from UN policy advice and enhanced cross-governmental coordination between several ministries and the National Assembly Committee on Science, Technology and Environment. The new law provides the National Assembly with a clear basis to oversee the implementation of national energy efficiency targets in Viet Nam.

At the local level, energy efficiency in school lighting and public urban lighting was successfully piloted and replicated in hundreds of schools and cities including Ha Noi, Hai Phong, Ho Chi Minh City, Binh Dinh and Binh Duong. In addition, 173 energy conservation initiatives were implemented locally in 2010 with broad participation of businesses and local communities. With UN technical and financial assistance, 543 small and medium-sized enterprises in the brick, ceramic, food processing, textile, pulp and paper industry achieved substantial improvements in energy conservation. This resulted in significant energy savings and reduced greenhouse gas emissions.

Other important laws passed by the National Assembly in 2010 include the Law on Environmental Protection Tax based on the 'polluter pays principle', and the Law on Food Safety which was developed based on inputs from national and provincial stakeholder consultations supported by the UN.

As chemical and other hazardous waste continues to pose a threat to people in certain areas of Viet Nam, international expertise and training was provided to MONRE for undertaking a comprehensive inventory of pesticide and dioxin stockpiles and for cleaning up contaminated soil.

In 2010, the UN also supported further capacity strengthening for sustainable development planning and management of cultural and natural resources, both at the national and sub-national level. As one example, the UN assisted local stakeholders to prepare a Provincial Development Strategy for Quang Nam, including site tourism management plans for Hoi An, My Son and Cham Island, and an integrated culture and tourism strategy for the province. The strategy aims to effectively leverage Quang Nam's cultural assets for economic development while also ensuring their protection. Local communities in

Box 6: Protection of Cultural Heritage

In 2010 the Imperial Citadel of Thang Long in Ha Noi became the 900th site on the UNESCO World Heritage List. Together with the country's five other World Heritage sites, Thang Long's recognition represents the importance of Viet Nam's diverse cultural heritage. At the same time, the protection of these sites poses a great challenge, particularly in the face of tourism growth, climate change and other new developments. The UN continues to provide technical support for Viet Nam to identify the most suitable solutions to ensure an appropriate balance between heritage preservation and socio-economic development.



Quang Nam, especially poor women, were provided with training in culture-based product development and are now benefiting from local tourism by developing new products inspired by their cultural heritage. This pilot in Quang Nam can serve as a model for other World Heritage sites, Biosphere Reserves and other protected areas in Viet Nam.

Safeguarding and integrating customary practices into conservation objectives is a critical aspect in the sustainable development framework. In 2010, the UN assisted local communities and management boards of eight Biosphere Reserves and one World Natural Heritage site in Viet Nam to pilot actions that integrate customary practices into the protection of natural resources while also improving local livelihoods.

To enhance rural development, preparations were completed in 2010 to provide advisory services to MARD for developing and implementing the new National Target Programme on New Rural Development ('Tam Nong') for 2010-2020. The aim is to modernize rural areas through coordinating integrated development interventions and master planning at the commune level, thereby decentralizing public funding and improving the overall living standards of rural communities while also adapting to and mitigating the effects of climate change. At the local level, alternative market-oriented agro-forestry systems were supported. One of the results was a shift in production patterns by farmers from poor communities to higher value tree types and enhanced ability to adjust to market demands. In the area of aquaculture, participatory co-management approaches were introduced for provincial authorities and other stakeholders for more sustainable management of lagoon areas.

In the area of urban planning and management, the UN supported the Ministry of Construction (MOC) in formulating the National Housing Strategy to 2020 (with a vision to 2030) on the basis of the Viet Nam urban housing profile and a series of thematic reports on low-income housing.



OUTCOME 4: ACCOUNTABLE, TRANSPARENT AND PARTICIPATORY GOVERNANCE

STRENGTHENING MODERN INSTITUTIONS AND PARTICIPATORY PROCESSES

Ensuring the participation of all citizens in policymaking remains one of the priorities for Viet Nam, along with strengthening public institutions to effectively perform their key functions. The UN has been providing support in several areas through policy advice, technical assistance and sharing experiences, including good practices from around the world. During 2010 dedicated support was provided to an internal review by the Government of the 2001-2010 Public Administration Reform Master Plan and a review of the first five years of implementation of the 2005-2020 Judicial Reform Strategy and the 2005-2020 Legal Systems Development Strategy.

The UN facilitated a number of policy dialogues including the Legal Partnership Forum, the Public Administration Partnership Forum and the high-level donor dialogue with the National Assembly. These provided important platforms to discuss critical reform issues between the Government, the UN, development partners, academia and civil society. During 2010 Viet Nam successfully chaired the ASEAN, with many key events taking place throughout the year. This demonstrated Viet Nam's strong commitment to regional cooperation.

Supporting Legal and Judicial Reform

The UN-supported independent expert review of the Legal Systems Development Strategy provided new perspectives and ideas for the advancement of legal development in Viet Nam over the next decade, and set out key priorities for legal reform. The independent assessment

Box 7: Towards a Rights-based System of Administrative Sanctions

One of the main highlights in 2010 was the UN support provided to the Ministry of Justice in drafting the new Law on Administrative Sanctions. This will replace the current Ordinance on the Handling of Administrative Sanctions, which punishes violations of the law considered not suitable to be dealt with by the criminal justice system. However, the current system includes a wide range of sanctions, including administrative detention which is used as a sanction for juveniles in conflict with the law, drug addicts and sex workers.

The UN is advocating for the new law to better implement Viet Nam's obligations under core human rights instruments. Comparative experiences from China, Malaysia and other countries have been provided in this respect. One recommendation is the introduction of procedural safeguards for those subject to administrative detention and the promotion of diversion and alternatives to detention of juveniles. The UN also strongly advocates an end to the detention of sex workers and people who use drugs and the system of 'administrative detention centres' that, according to international evidence and national reports, offers neither effective treatment nor rehabilitation.

Box 8: Implementing International Human Rights Standards and Conventions

As part of its continued support to Viet Nam to implement the recommendations of the 2009 Universal Periodic Review, the UN facilitated the visits of the Independent Expert on Minority Issues, Ms. Gay McDougall, and the Independent Expert on Human Rights and Extreme Poverty, Ms. Magdalena Sepulveda, who were both invited by the Government in 2010. These were the first visits to Viet Nam by a Human Rights Special Procedure in over 10 years. The reports of the experts are presented to the UN Human Rights Council in 2011. Overall, the UN supports the Ministry of Foreign Affairs in further strengthening its capacity to effectively implement international human rights treaties and participate in important human rights events.

At the regional level, one of the highlights was the establishment and inauguration in Ha Noi of the ASEAN Commission for the Promotion and Protection of the Rights of Women and Children in April 2010. Viet Nam also chaired the ASEAN Inter-Governmental Commission on Human Rights during 2010.

focused on six key areas under the Legal Systems Development Strategy, and the reports on State governance mechanisms and the legal framework for a market economy received particularly wide press coverage and were discussed within a wide circle of Vietnamese and other stakeholders, including senior officials from Government and the National Assembly. Another area of support includes the training of police officers, prosecutors and legal aid officers to apply more child-friendly methods in dealing with children who have come into contact with the law.

To further improve the Criminal Procedure Code, the UN worked closely with the Supreme People's Procuracy to identify follow-up actions from the Code's review to better harmonize the legal system with the Convention on the Rights of the Child as well as the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) and establish principles for the judiciary to promote child-friendly procedures and ensure women's rights. As a result, a list of recommendations was proposed to amend articles to include protective measures and provision of necessary services at each stage of the proceedings for increased protection of children in contact with the law and women who are victims of violence. Technical assistance was also provided to develop an inter-agency circular on child-friendly investigation, prosecution and adjudication. As a result of UN capacity building support, staff managing criminal justice services in nine provinces are now able to draw on research documenting the experience of domestic violence victims. Also, at provincial and local level police officers, lawyers and Women's Union members were made more aware of the issue of domestic violence.

Strengthening Anti-corruption Efforts

Implementing the UN Convention Against Corruption (UNCAC), ratified by the Government in 2009, remained high on the national agenda in 2010. A consortium comprising the UN and two international research institutes supported the Vietnamese UNCAC review group, especially with the initiation of the UNCAC Self-Assessment which will review national anti-corruption systems, laws, regulations, policies, institutions and programmes to identify the reforms necessary to meet international requirements. The self-assessment will constitute the major source of information for the official review of Viet Nam under the UNCAC Review Mechanism due to start in June 2011.

Overall, the capacity of the Government Inspectorate to monitor anti-corruption efforts was further strengthened in 2010. With UN support, substantive training on anti-money laundering and counter-financing terrorism was provided to law enforcement officers and Government

officials. The legislative and policy framework was strengthened with the approval by the National Assembly of the amended Penal Code on money-laundering offences and through development of the National Action Plan on Combating Money Laundering. With UN technical and financial support two surveys were conducted on corruption risk behaviours in education and on the allocation of land use and property rights. The results of these surveys were presented during the Anti-Corruption Dialogue in November 2010. The education survey results were also presented by the Vietnamese delegation at the 14th International Anti-corruption Conference in Bangkok in the same month. On International Anti-Corruption Day (9 December) Government and other key stakeholders confirmed a strong commitment to address all aspects of corruption.

Advancing Public Administration Reform

The ten-year Public Administration Reform Master Plan came to an end in 2010. Alongside the Government's own internal review, the UN commissioned an independent review of the Master Plan. The results of both reviews were presented and discussed with the Government and development partners at the Public Administration Reform Forum in October 2010. While identifying the successful components of the reform to date, the reviews also noted the need for increased efforts in the area of civil service reform, salary reform and decentralization. The Forum provided a key opportunity to set priorities for the next decade.

During 2010 the Provincial Administration Performance Index (PAPI) was expanded from three to thirty provinces. Conducted in partnership with the Viet Nam Fatherland Front through the Centre for Community Support and Development Studies (CECODES), the PAPI systematically measures and monitors the performance of provincial public administration systems to allow comparison and ranking of provinces. The ranking system incentivizes the improvement of public administration performance at provincial level and allows provincial governments to identify good practices, spot weaknesses and pinpoint implementation bottlenecks. At the same time, the information available also encourages citizens to voice their views.

To strengthen the leadership role of women in public administration, the UN has provided targeted support in the form of scholarships and grants to more than 200 women in leadership positions to help them fulfill the necessary requirements to become eligible for promotion to a higher position. Building upon policy research undertaken in 2009, recommendations were provided to the Government on how to overcome obstacles to women's leadership in the public sector through implementation of the Law on Gender Equality and updating of policies and regulations not in line with the law.

Strengthening Parliament and Public Participation

A milestone was reached in 2010 with the introduction of the first public consultations by National Assembly (NA) Committees, an approach supported by the UN. The Committee for Social Affairs and the Ethnic Council began public hearings on poverty reduction strategies and settlement policies for ethnic groups, respectively. The Committee on Social Affairs also held public consultations on the draft Law on Health Insurance, the draft Law on Persons with Disabilities, and the Labour Code, which included a particular focus on women workers' rights. These consultations have begun to allow National Assembly Deputies to make more informed decisions in terms of the quality, feasibility and effectiveness of laws and policies. Also, the capacity of National Assembly Committee members was strengthened to ensure that gender is mainstreamed in the three aforementioned laws and in the legislative process as a whole. Through an exchange of international best practices National Assembly Committee members also enhanced their knowledge of labour law appraisal and legal framework models for industrial relations. At the provincial level, the UN supported

a participatory process for public consultations for Provincial People's Councils, thereby contributing to improved decision-making and enhancing the quality of local legislative and oversight processes.

In addition, with UN support consultations at the national and provincial levels were organised to discuss the Law on the Adoption of Children, the Law on Persons with Disabilities and the Law on Food Safety. The completion of the Child Rights Monitoring Study, commissioned by the National Assembly Committee on Culture, Education, Youth and Children, was another example of overall UN engagement in the area of child rights.

Supporting Local Governance Reform

During 2010, all provinces prepared their own Socio-Economic Development Plans (SEDPs). The UN supported provincial officials to ensure that these plans were evidence-based, rights-based and participatory. In a number of provinces, Core Planning Groups were established, providing officials with knowledge and skills to ensure better management of the SEDP process. Subsequently, MPI issued guidelines encouraging selected provinces to replicate these reform initiatives. As a next step, various provinces issued directives to reinforce the planning reform.

Overall, there is a need for greater support to develop local capacity to work cross-sectorally. Accordingly, the UN also bolstered the ability of Government agencies to undertake cross-sectoral planning and implementation in 2010. This was complemented by UN support to integrated, multi-sectoral social services in five provinces. Children and disadvantaged households in selected districts benefited directly from improved education, health and nutrition, sanitation and protection services.

Box 9: Examples of UN-supported Research on Governance Issues in 2010

- Comparative research on the organization and functioning of the justice system in China, Korea, Japan, Indonesia and Russia
- An independent survey-based report on access to justice from people's perspectives
- Two reports on access to counsel and criminal-appointed counsel
- A study on different models of national human rights Institutions
- Research on the current quality of criminal justice services available for victims of domestic violence
- Research paper on civil service reform in Viet Nam, as part of a comparative volume on ASEAN countries
- Research paper on the modus operandi of money launderers in Viet Nam
- Two anti-corruption surveys by the Government Inspectorate on corruption risk behaviours in education and risks for corruption in the allocation and transfer of land use rights and house ownership
- Comparative study on labour laws and administration in ASEAN countries
- Two assessments of the provisions related to justice for children in the penal code and the penal procedures code



OUTCOME 5: REDUCED VULNERABILITY TO NATURAL DISASTERS, COMMUNICABLE DISEASES AND OTHER EMERGENCIES

HELPING VIET NAM DEAL WITH DISASTERS AND OTHER EMERGENCIES

In 2010, Viet Nam was affected by several natural disasters. In the first six months, a drought of unusual severity and length affected crop production, electricity supplies and livelihoods. In the second half of the year, severe floods damaged infrastructure, affected livelihoods and local economies, causing numerous casualties especially in the central part of the country.

The institutional reform of the Ministry of Agriculture and Rural Development (MARD) resulted in the establishment of the General Department of Water Resources and a broadening of the responsibilities of the Disaster Management Centre (DMC). Further progress was made on the mainstreaming of disaster risk management and climate change adaptation into the 2011-2015 SEDP. Several ministries have developed, or are in the process of developing, ministerial disaster response plans as well as climate change action plans.

Improving Coordination of Disaster Risk Management

The UN continued to play a leading role in facilitating stronger coordination between key stakeholders to ensure an integrated approach to disaster risk management (DRM). This is being done through the joint GoV-UN Programme Coordination Group as well as through the Disaster Management Working Group and the Climate Change Working Group. The regular 'UN Situation Reports' and technical support to the DMC further improved the timely sharing of critical information and led to a more coordinated and effective response to disasters when these happen.

Considerable progress was made towards the development of a national Law on Disaster Risk Management. With UN technical assistance, an outline for the law was prepared and approved by the Department of Dyke Management, Flood and Storm Control (DDMFSC) and subsequently submitted to the Ministry of Justice (MOJ). The UN also supports the public consultation process in different regions of the country to ensure the law takes into account important inputs from local communities. In addition, new national Guidelines on Emergency Response and Early Recovery were approved. These are expected to further improve the standard of emergency responses, including the supply and distribution of food, nutrition and drugs, especially for vulnerable groups such as children, women and the elderly.

Helping People Prepare Better for Disasters

In the course of 2010, a model for central and provincial Disaster Risk Management Centres was developed and implemented with UN assistance. A fully equipped Disaster Management Centre has now been established at the national level and in a number of provinces, providing a foundation for better disaster risk management. The model will continue to be piloted in 2011. The UN also strengthened sectoral components such as water and sanitation, education, nutrition and child protection: guidelines, tools and standards were applied, leading to enhanced sector-wide coordination before, during and after disasters.

Box 10: Supporting Community-Based Disaster Risk Management

In 2010, the UN continued to support the roll-out of Community-Based Disaster Risk Management (CBDRM) in Viet Nam. To ensure the quality of existing and future provincial CBDRM plans, the national Disaster Management Centre disseminated implementation guidelines which received key inputs from community members during national and provincial workshops supported by the UN and Oxfam. In addition, a train-the-trainer package was developed and tested in a number of provinces, and will subsequently be rolled out in 2011.

Another key initiative in 2010 was the initiation of a nation-wide CBDRM risk assessment for which the UN mobilized critical support. The assessment will be implemented with support from mass organizations and national academic institutions, and technical assistance from UN regional experts. In addition, work has started on development of a comprehensive monitoring and evaluation framework as well as decentralized implementation budget mechanisms.

Targeted support was provided in 2010 to the agricultural sector in the Northern mountainous regions. Thanks to strengthened institutional and technical frameworks, policies and coordination, vulnerable communities in these areas are now more aware of and resilient to disasters and climate change. In Phu Yen Province, the Women's Union and local authorities were supported to specifically address women's vulnerabilities and risks in the context of disasters. This initiative is part of UN efforts to ensure that gender is mainstreamed in disaster risk management and the experiences will be documented for replication in other provinces. Initial steps have also been taken to include sex-disaggregated data in disaster damage reporting at the central level. This will provide a basis for gender issues to be addressed in the development of new damage and needs assessment templates.

The MOH established a Disaster Management Unit in 2009 to support coordination of the Standing Committee for Disaster Prevention and Control and Search and Rescue. With UN assistance, district and provincial health staff from 17 (out of 63) provinces were trained in health emergency management during 2010. A related 2011-2020 National Action Plan on Disaster Preparedness, Mitigation and Recovery for the Health Sector was also developed, along with assistance for training programmes, information management, safe hospitals and logistics management – in order to strengthen the capacity of the health system to more effectively respond to emergencies and disasters.

The MOET in 2010 conducted the first 'education in emergencies' needs assessment, using recently developed tools, in one of the provinces severely affected by flooding. MOET staff and provincial education managers developed skills to prepare for and respond to emergencies in order to minimise disruption to children's learning. The MOET also developed an Action Plan on Natural Disaster Response, Preparedness and Mitigation, which will be submitted for approval by mid-2011.

Responding Effectively to Avian Influenza and Other Pandemics

The gains made in controlling highly pathogenic avian influenza in poultry in Viet Nam were further consolidated through joint Government-UN collaboration, resulting in detection of progressively fewer outbreaks of the disease in poultry, and thereby further reducing the public health risk. However, sporadic outbreaks continued to be reported in poultry, including occasional human cases of H5N1 influenza. The capacity of the MARD was further strengthened, especially in the areas of animal health laboratories, outbreak response, epidemiological investigations of animal diseases, risk analysis and mitigation measures at the production and health interface.





CHAPTER 4



WORKING IN PARTNERSHIP FOR BETTER DEVELOPMENT RESULTS

The year 2010 was critical for Viet Nam in terms of the development of key national policy frameworks. The UN supported Government counterparts in the design of the 2011-2020 SEDS and 2011-2015 SEDP. The UN played an active role in coordinating the inputs for the draft SEDP from various development partners and together with the World Bank and the Like-Minded Donor Group (LMDG) held a series of consultation meetings with the SEDP drafting team in MPI. In addition, the UN provided analysis and recommendations on how best to mainstream gender into the new SEDP.

To address poverty reduction more coherently and comprehensively, the UN supported the Government in organising the Poverty Reduction Policy Dialogue (May 2010) and the Ethnic Minority Development Forum (December 2010), widely considered as critical advocacy milestones. These policy dialogues provided an important opportunity for Government, the UN, development partners, academia and civil society to share ideas on the next phase of the National Target Programme on Poverty Reduction (Programme 135) and the SEDP. The UN provided substantial inputs and coordinated development partner's contributions for the draft Resolution on the 2011-2020 Poverty Reduction Strategy. As a result, the focus has now shifted towards a multi-dimensional approach to addressing chronic and transient poverty.

In the area of climate change, the UN Resident Coordinator and the Danish Ambassador are co-chairing a special donor coordination group. Through this forum the UN has been coordinating the formulation of joint positions by development partners on climate change issues for the mid-term and annual Consultative Group meetings. In November 2010, a high-level meeting was convened to discuss Viet Nam's climate change strategy with national officials, donors, UN experts and the former Executive Secretary of the UN Framework Convention on Climate Change Mr. Yvo de Boer.

The Gender Action Partnership continued to act as a forum for coordination and information sharing among Government, donors, UN and civil society organizations working on gender equality. With UN technical and financial support, MOLISA organized a policy dialogue with Government and Party leaders to discuss recent research findings such as from the Asia-Pacific Human Development Report on Gender and the Beijing+15 Review, and subsequently key actions were agreed to further implement the National Strategy and Programme for Gender Equality.

Box 11: Moving Forward to Enhance Aid Effectiveness

As a sign of the Government's commitment to further enhance the effectiveness of development assistance, the Partnership Group on Aid Effectiveness (PGAE) was transformed into the Aid Effectiveness Forum (AEF). The Forum has broader representation at a more senior level, including from a range of central and line ministries as well as from the National Assembly and civil society organizations. In 2010, the UN actively supported this transformation as a member of the AEF Executive Committee, engaging in all main activities such as the Paris Declaration Evaluation Survey and the mapping of the Sector Partnership Groups/International Support Groups in Viet Nam.

The Health Partnership Group is one of the other important national coordination mechanisms enhancing aid effectiveness. With support from the UN and other development partners in the health sector, this Partnership Group brings together all the main actors in health, promoting better harmonization of development partners and alignment with national health priorities. The UN has worked closely with other partners and MOH to implement the principles of the International Health Partnership and related initiatives (IHP+) in Viet Nam. In particular, during 2010 the UN played a key role in coordinating the Joint Assessment of the National Health Plan 2011-2015, using the Joint Assessment of National Strategies (JANS) tool developed by IHP+.

In the context of the Health Partnership Group, substantive work was undertaken by the MOH, with support from the UN and other development partners, in drafting a new five-year health plan which was approved in January 2011. Through the Joint Annual Health Review, priority issues for the next five years were identified and inputs were provided by each MOH department, National Target Programmes and provinces.

The Partnership on Avian and Human Influenza (PAHI) within MARD represents another important multi-sectoral partnership. With UN support, the PAHI Secretariat assisted MARD and MOH to develop the Integrated National Operational Programme on Avian Influenza, Pandemic Preparedness and Other Emerging Infectious Diseases (AIPED) for the period 2011-2015. Specific sector strategies on emerging diseases and pandemics as well as a five-year Animal Health Strategy for 2011-15 were also developed by MOH and MARD, respectively, with inputs from the UN and other development partners.

Co-chaired by the UN Resident Coordinator, the Ambassadors/UN Heads of Agencies Informal Coordination Group on HIV is another example of the UN's convening role in support of donor coordination and policy coherence. The Coordination Group plays a key role in advocating for a strategic and inclusive national response to HIV. The HIV Programme Coordination Group works closely with the Government and all key stakeholders to scale up HIV prevention, treatment, care and support in Viet Nam.

During 2010 the 'Mini-Dublin Group', an informal consultation and coordination mechanism facilitated by the UN, continued to address specific problems of illicit drug trafficking. The Group developed a range of recommendations to the Government on suggested priority actions in key areas.



CHAPTER 5



DELIVERING AS ONE UN IN 2010

Since the start of the 'One UN Initiative' in 2006, Viet Nam has been a leader in global UN reform efforts thanks to outstanding leadership by the Government, excellent support from donors, and strong commitment by the UN Country Team and all UN staff. As one of the eight pilot countries for the 'Delivering as One' (DaO) pilot initiative, Viet Nam has made significant strides in enhanced UN coordination, joint planning as well as more effective and efficient implementation of development interventions. As testimony to the commitment to the UN reform process, the Government of Viet Nam hosted the 'High-level Tripartite Conference on Delivering as One' in June 2010. This milestone event brought together over 260 participants from the DaO pilot countries, several countries having voluntarily adopted the DaO approach, as well as donor and UN representatives.

The lessons and recommendations from the independent Country-Led Evaluations (CLEs) of the DaO countries were discussed extensively by the conference participants. In the case of Viet Nam, the evaluation noted "impressive progress" of the DaO pilot initiative, concluding that "the performance of the reform is remarkable and brings forward many lessons for expanding the initiative to other countries". The CLE also concluded that the "Tripartite National Task Force (TNTF) in Viet Nam is a unique cooperation forum among the pilot countries." Established in 2006, the TNTF is comprised of representatives of the four Government Aid Coordinating Agencies, Donors and the UN.

In general, all the evaluations acknowledged that the DaO reform effort is resulting in improved coherence and aid effectiveness through more strategic focus and more harmonized programming. At the same time, there are still a number of challenges to address in the next few years, including the need for even greater coherence and more clearly demonstrating cost efficiencies and development results. The Statement of Outcome and Way Forward adopted at the Ha Noi Conference can be considered a milestone in the overall UN reform process and represents a renewed commitment by all parties. UN Secretary-General Ban Ki-moon acknowledged the leadership role of Viet Nam as one of the most advanced pilot countries during his official visit to Viet Nam in October 2010. The Secretary-General expressed his gratitude to President Nguyen Minh Triet for Viet Nam's strong support for UN reform and commended the country for its remarkable progress towards achieving the MDGs.

One of the CLE conclusions was that the One Plan in Viet Nam is closely aligned with national policies and brings together the work of all UN Agencies with an increasing policy orientation. Another finding was that the One UN Initiative had elevated support for and focus on cross-cutting issues, in particular gender equality and human rights. The CLE also

noted that “the successful introduction of the Programme Coordination Groups (PCGs) was the most radical change under the One Plan”. Initiated in 2008 as coordination mechanisms through which UN Agencies work together with partners on key thematic issues to facilitate the delivery of results, the PCGs have operated since 2010 as joint Government-UN coordination groups co-convened by one line ministry and one UN Agency. Following an independent review, the number of PCGs has been reduced from 11 to 8 in order to better align them with the One Plan Outcomes while also covering cross-cutting issues.

During 2010, the PCGs provided harmonized support to the Government in the development of the 2011-2020 SEDS and the 2011-2015 SEDP. The joint research and analytical work conducted by the PCGs in 2010 was a major input for the preparation of the next One Plan as it outlined where the UN would be best placed to support the achievement of development results based on its comparative advantages. All PCGs also held mid-year and annual review meetings for 2010 together with their Government, donor and civil society counterparts for all programmes within their purview rather than conducting separate Agency-specific reviews, hence reducing transaction costs.

The One UN Communications Team, which helps the UNCT “speak with one voice”, organised a series of joint UN events to launch policy papers and advocate for priority themes such as social protection, gender equality and climate change. New communication tools were also developed or upgraded, such as the One UN Intranet which electronically links all UN staff in Viet Nam. The Country-Led Evaluation noted that according to a wide range of stakeholders the One UN Communications Team provides an effective service, with staff from different Agencies working under a common work plan and one manager.

An increasingly important part of the UN’s development interventions is funded through the One Plan Fund (OPF). As illustrated in the Financial Overview (Chapter 6), the share of the One Plan funded through the OPF increased from 17% in 2008 to 25% in 2009 and further to 35% in 2010. A new OPF allocation model was developed in 2010 following the CLE recommendations. The revised allocation model places greater emphasis on performance indicators related to both programmatic results delivery and financial delivery. Furthermore, the assessment of all OPF funding requests for 2011 was conducted by an independent review panel.

The eco-friendly Green One UN House took further shape in 2010 with an approved concept design. This unique initiative is being undertaken with critical support from several donor partners, and the Government of Viet Nam is contributing a high-value site. UN staff will be co-located in inter-agency teams according to programmatic and operational areas of work, enhancing synergies and efficiency. While joint procurement of common services has already resulted in cost savings, further significant savings are expected to materialize when Agencies move to the Green One UN House. Enhancing aid effectiveness in line with the Ha Noi Core Statement, overall transaction costs are also being reduced as the Harmonized Programme and Project Management Guidelines (HPPMG), agreed between participating UN Agencies and Government, have come into effect. The harmonized Government-UN-EU Cost Norms agreed to in 2009 were successfully rolled out in 2009-2010 with a planned update in 2011.

Looking ahead, the UN’s strategic One Plan for 2012-2016 is currently being developed in close consultation with all our national and international development partners. The next One Plan will be substantially different from the current Plan in terms of being more strategic, focused on measurable development results, building on the UN’s comparative advantages, and strengthening the ‘Delivering as One’ approach. To harmonize the UN’s planning cycle with Viet Nam’s 2011-2015 SEDP, it was agreed that 2011 would be a transition year. The next One Plan 2012-2016 will therefore be informed by the national priorities identified in the SEDS and SEDP, maximizing the UN’s comparative advantages in supporting Viet Nam on the road to inclusive, equitable and sustainable development for all.

“

We have been piloting pro-actively and actively the ‘One UN Initiative’ in Viet Nam within the framework of the Delivering as One approach. ... The Government’s ownership has been increased through the implementation of the initiative, ensuring the Government’s decisive say in the cooperation with UN organizations. ”

***H.E. Mr. Nguyễn Tấn Dũng, Prime Minister of the Socialist Republic of Viet Nam,
High-level Tripartite Conference on Delivering as One, Ha Noi, 16 June 2010***





CHAPTER 6



FINANCIAL OVERVIEW

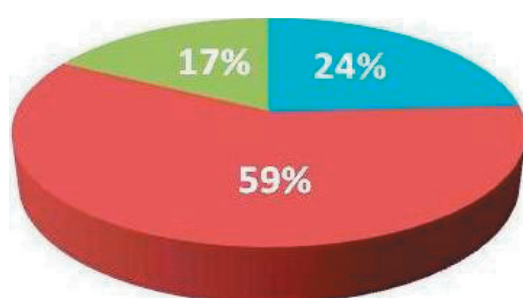
Table 1. One Plan Expenditure by Outcome in 2010 (USD)

One Plan Outcome	Expenditure from Regular Resources (Core) in 2010	Expenditure from Other Resources in 2010	Expenditure from One Plan Fund in 2010	Total Expenditure in 2010
Outcome 1: Equitable and Inclusive Social and Economic Policies, Plans and Laws	6,668,019	14,376,506	8,997,451	30,041,976
Outcome 2: Quality Social and Protection Services	7,238,400	12,549,244	13,892,456	33,680,100
Outcome 3: Environmental Protection and the Rational Management of Natural and Cultural Resources	714,879	5,400,281	1,509,457	7,624,617
Outcome 4: Accountable, Transparent and Participatory Governance	3,768,009	3,452,269	5,148,934	12,369,213
Outcome 5: Reduced Vulnerability to Natural Disasters, Communicable Diseases and Other Emergencies	572,441	7,168,424	3,091,260	10,832,125
Total	18,961,748	42,946,725	32,639,557	94,548,030

Table 2. One Plan Expenditure by Funding Source 2008-2010

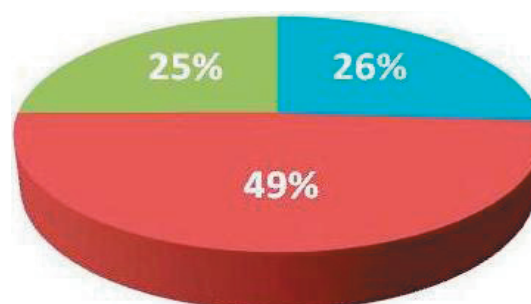
One Plan Expenditure by Funding Source (USD)	2008	2009	2010
Regular Resources	17,229,489	20,412,511	18,961,748
Other Resources	41,917,953	38,266,561	42,946,725
One Plan Fund	12,360,608	19,651,628	32,639,557
Total	71,508,050	78,330,700	94,548,030

2008



■ Regular Resources
■ Other Resources
■ One Plan Fund

2009



2010

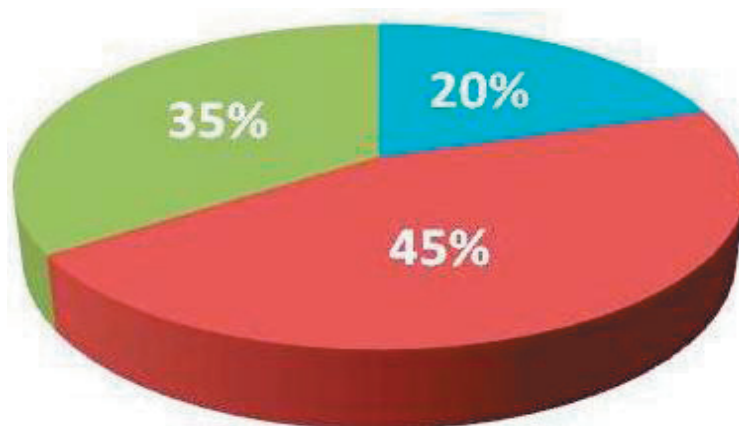


Table 3. One Plan Expenditure by UN Agency and Funding Source in 2010 (USD)

UN Agency	Expenditure from Regular Resources (Core) in 2010	Expenditure from Other Resources in 2010	Expenditure from One Plan Fund in 2010	Total Expenditure in 2010
FAO	144,850	7,010,474	1,030,136	8,185,460
ILO	316,067	8,194,134	1,519,363	10,029,564
UNAIDS	469,636	630,625	393,118	1,493,379
UNDP	7,629,155	4,843,315	8,959,747	21,432,218
UNESCO	119,962	551,415	1,386,598	2,057,975
UNFPA	3,951,071	1,590,021	2,512,678	8,053,770
UN-HABITAT	649,775	20,000	616,773	1,286,548
UNICEF	3,319,862	6,160,797	9,123,662	18,604,321
UNIDO	68,653	4,102,911	997,071	5,168,635
UNIFEM (part of UN Women)	74,376	215,280	520,579	810,235
UNODC	180,600	1,571,059	1,063,760	2,815,419
UNV	284,500	241,813	172,133	698,446
WHO	1,753,240	7,814,881	4,343,939	13,912,060
Total	18,961,748	42,946,725	32,639,557	94,548,030

Table 4. Donor Contributions and Commitments to One Plan Fund Window 1 and 2 as of 31 December 2010 (USD)

Donor	Received Jan - Dec 2007	Window 1	Window 2	Received Jan - Dec 2008	Window 1	Window 2	Received Jan - Dec 2009	Window 1	Window 2	Received Jan - Dec 2010	Future Commitments	Total
		Window 1	Window 2	Window 1	Window 2	Window 1	Window 2	Window 1	Window 2			
Australia	-	-	-	-	-	-	1,667,000	-	-	-	2,012,000	3,679,000
Canada	1,011,839	1,012,043	-	-	-	-	-	-	-	-	-	2,023,882
Expanded DaO Funding Window	-	-	-	-	-	-	10,531,000	-	-	4,568,000	-	15,099,000
Finland	-	-	428,295	-	1,542,840	-	1,690,960	-	-	1,513,490	-	5,175,585
France	1,000,000	-	-	-	-	-	-	-	-	-	-	1,000,000
Ireland	1,000,000	-	1,360,300	-	1,421,100	-	1,169,550	-	-	-	-	4,950,950
Luxembourg	4,127,660	48,840	-	1,000,000	500,000	-	-	-	-	-	500,000	6,176,500
Netherlands	2,500,000	-	-	-	1,452,600	-	2,631,000	-	-	2,560,241	-	9,143,841
New Zealand	1,000,000	1,000,000	-	-	1,000,000	-	1,000,000	-	-	1,000,000	-	4,000,000
Norway	6,407,909	-	2,151,463	-	-	-	1,657,550	-	-	-	-	10,216,922
Spain	4,000,000	-	4,000,000	-	4,000,000	-	-	-	-	-	-	12,000,000
Sweden	-	-	1,269,500	-	-	-	-	-	-	-	-	1,269,500
Switzerland	880,000	800,000	-	-	560,000	-	-	-	-	-	-	2,240,000
United Kingdom	4,144,800	980,700	-	-	2,168,850	-	2,451,000	-	-	-	-	9,745,350
Total	26,072,208	3,841,583	9,209,558	1,000,000	24,843,390	-	15,168,060	-	6,585,731	86,720,530		

Notes:

1. Following the signing of the One Plan 1 in 2007, Window 1 of the One Plan Fund (OPF) was established to mobilize and allocate financial resources in a more strategic manner. Upon signing of the One Plan 2 by the Government of Viet Nam and the 14 participating UN Organizations in June 2008, OPF Window 2 was set up for the mobilization of un-earmarked donor contributions to the One Plan Fund. As of 31 December 2010, the total amount of funds contributed to the two OPF Windows was USD 80,134,799. In combination with the current commitments for 2011, the total amount received or committed was USD 86,720,530 as of 31 December 2010.
2. All Future Commitments are related to OPF Window 2. Since 1 January 2011 additional commitments were received from the Expanded DaO Funding Window, Canada, Ireland, New Zealand, Norway and the United Kingdom. These are not yet reflected in Table 4 which reflects the status as of 31 December 2010.

Table 5. Financial Report on Sources and Uses of Funds One Plan Fund Window 1 as of 31 December 2010 (USD)

	Previous Period as of 31 December 2009	Jan-Dec 2010	Total
Sources of Funds			
Gross Donor Contributions	30,913,791	-	30,913,791
Fund Earned Interest Income	894,398	4,913	899,312
Interest Income received from Participating UN Organizations	-	169,037	169,037
Total Sources of Funds	31,808,189	173,950	31,982,140
Uses of Funds			
Transfers to Participating UN Organizations	30,251,401	856,000	31,107,401
Administrative Agent fees	309,138	-	309,138
Direct costs (Steering Committee, Secretariat)	162,500	-	162,500
Bank Charges	-	-	-
Other Expenditures	-	-	-
Total Uses of Funds	30,723,039	856,000	31,579,039
Balance of Funds Available	1,085,150	(682,050)	403,101

Table 6. Financial Report on Sources and Uses of Funds One Plan Fund Window 2 as of 31 December 2010 (USD)

	Previous Period as of 31 December 2009	Jan-Dec 2010	Total
Sources of Funds			
Gross Donor Contributions	34,052,948	15,168,060	49,221,008
Fund Earned Interest Income	209,485	113,268	322,754
Interest Income received from Participating UN Organizations	-	6,013	6,013
Total Sources of Funds	34,262,433	15,287,341	49,549,774
Uses of Funds			
Transfers to Participating UN Organizations	25,861,010	15,939,294	41,800,304
Administrative Agent fees	340,529	151,681	492,210
Direct costs (Steering Committee, Secretariat)	137,500	-	137,500
Bank Charges	132	-	132
Other Expenditures	-	-	-
Total Uses of Funds	26,339,171	16,090,975	42,430,146
Balance of Funds Available	7,923,262	(803,634)	7,119,629



Annexes on UN Viet Nam website:

- Table 7: One Plan Expenditure by Output in 2010
- PCG Results Matrices 2010





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