



Viet Nam - ADB Dialogue



HIGHLIGHTS

Group Leaders

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Issues

- Gaps between ADB and Government procedures and requirements in processing
- Requirement for greater ownership from Vietnamese Agencies, especially EA / PMU for PPTA and more interaction with the Consultants / ADB Project Team.
- ADB-VRM should have greater autonomy of action – accelerate decentralization

Issues

- Planning Process for Water Project Identification: Huge needs, but little ODA financing available for investment
- Sustainability: Cost recovery mechanisms for debt service, operation / maintenance, counterpart funding – Water tariffs, Irrigation Fees, ...
“Willingness to Pay vs. Willingness to Charge”

Strategies

- PPP Model also possible for small towns water projects
- Faster Project Implementation (cf. Issues)
- Benchmarking (World Bank & SEAWUN)
- New financing facility to enable local government – led project identification and formulation
- New financing facility to enable water investment based on “secured” future revenue stream

Products & Services

- Wider knowledge dissemination on ADB new financial products and instruments: Additional Training required. Discussion on harmonization between ADB and Government procedures.
- PPP: Mobilization private sector to finance counterpart funding, improve performance with ADB Credit Enhancement (Song Da Project)
- Sector Approach to Rural Water Supply & Sanitation

Investment Opportunities

Rural Water

- Engage in rural WS&S: Ninh Thuan, Binh Thuan, Tien Giang Provinces; Central Region and Mekong Delta
- Upgrade irrigation system performance: Bac Hung Hai, Song Nhue and Song Chu irrigation systems
- ADTA on irrigation system management

Investment Opportunities

Basin Water

- Regulating reservoirs: Central Region
- ADTAs in international river basin management
- ADTAs in Water Resource Management Models; Water related Policies
- Financial Policy in Water Resource Management
- Models on Basin Organisations: Red-Thai Binh River; Dong Nai River; Sesan-Srepok River; Cuu Long River

Investment Opportunities

Urban Water

- Small and Medium Towns (300 / 624 towns without piped networks and sewerage systems)
- New Projects in Red River and Mekong Delta; Northern Mountainous Areas for Water Supply, Drainage and Solid waste management
- Rehabilitation existing distribution network, incl. NRW
- NRW Reduction Program for Hanoi (current NRW 42%)
- Red River Surface Water Supply Project: 300,000 m³/d
- Tien Giang Water Supply Project: 170,000 m³/d (\$55 M)
- Tien Giang Province Sewerage Project: 50,000 m³/d (\$30M)