

# Central Region Water Resources Sector Project

TA -6031-REG

Promoting Effective Water Management Policies and Practices

Pilot and Demonstration Activities for Viet Nam:

Development of Pro-poor Rural Water Actions in Collaboration with an NGO



## PROJECT INCEPTION REPORT

CARE International in Vietnam

June 2004



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## Executive summary

This Inception Report presents CARE's approach and methodology developed at the request of the Asian Development Bank for inputs to the Central Region Water Resources Sector Project. CARE's work is focused on two irrigation and flood control sub-projects of the CRWRSP in Binh Dinh and Quang Ngai provinces. Alongside another NGO, World Vision International, CARE will make recommendations on how to integrate participatory elements into the implementation of the CRWRSP and on what measures may be needed to ensure that the needs and interests of poor stakeholders affected by the sub-projects are met.

CARE proposes a social and institutional approach, which combines policy and institutional assessments with field surveys among the end users of irrigation schemes using Participatory Rural Appraisal techniques. The report contains a description of the required activities to realize these outcomes and a detailed budget for input requirements.

As preliminary recommendations for a participatory model that may be applied by the CRWRSP, the report suggests further analysis and discussion of the concept of Water User Groups as the basic unit of community involvement in decisions regarding design, implementation and management of water resources schemes. There is a strong case for decentralization of ownership to infrastructure investments to the commune level. The report argues that the mass organizations should be included and groomed as future champions of community participation.

## Abbreviations and acronyms

ADB	Asian Development Bank
CARE	CARE International in Vietnam
CBO	Community-based Organization
CPC	Commune People's Committee
CRWRSP	Central Region Water Resources Sector Project
DARD	Department of Agriculture and Rural Development
DOLISA	Department of Labor, Invalids and Social Affairs
DPC	District People's Committee
DPI	Department of Investment
FU	Farmers' Union
HLS	Household Livelihood Security
IMC	Irrigation Management Company
LoA	Letter of Agreement
PC	People's Committee
PDA	Pilot and Demonstration Activity
PPC	Provincial People's Committee
PRA	Participatory Rural Appraisal
TA	Technical Assistance
TOR	Terms of Reference
WRMB	Water Resources Management Board
WU	Women's Union
WUG	Water User Group
WVI	World Vision International

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CARE appreciates the technical supervision and support from the ADB staff and its consultants as well as the Technical Assistance consultants from the Royal Haskoning. Tim McGrath provided valuable comments to the draft report. CARE welcomes comments on this report.

## 1 Introduction

The Central Region Water Resources Sector Project (CRWRSP) is under preparation by the Government of Vietnam and the Asian Development Bank (ADB). The CRWRSP aims at sustainable improvement of water resources management in six provinces in the central region of Vietnam (Thanh Hoa, Quang Binh, Quang Tri, Thua Thien-Hue, Quang Ngai and Binh Dinh). The project will focus on irrigation, drainage and flood control, but will also include other aspects of water management where these are considered a high priority. ADB has requested CARE International in Vietnam (CARE) and World Vision (WVI) to develop a mechanism for the participation of different stakeholder groups in the implementation and subsequent management of the system being improved under the CRWRSP.

In addition to the formulation of a participatory mechanism, CARE and WVI will identify unmet needs and priorities of key stakeholder groups for each of the core sub-projects covered by the NGOs to ensure that beneficiaries, in particular the poor people, are able to take advantage of the potential benefits of the sub-projects. CARE has agreed to work in Binh Dinh and Quang Ngai. The Letter of Agreement (LoA) for a Pilot and Demonstration Activity (PDA) was signed by ADB and CARE in late May 2004. This report constitutes the Inception Report as per the LoA and the Terms of Reference (TOR) for the task. Please refer to annex 1 for the detailed TOR.

As a first step, CARE fielded an inception mission to Quang Ngai and Binh Dinh provinces to initiate consultations with stakeholders.<sup>1</sup> The objective of the mission was to familiarize with the sub-project areas and to collect information for selection and scoping of methodologies.

This mission looked into the policies and institutions of the provinces for agriculture and water resources management. Experiences and capacities of the provinces developed through the past and on-going rural development programs and projects funded by the government and donors were of a particular interest to the mission. The agenda and a list of people met by the mission are included in annex 2 of this report. Annex 3 contains a map showing the areas visited during the mission.

This Inception Report was prepared on the basis of findings from the mission to the provinces in combination with available secondary information. The report first introduces CARE's approach to and methodology for carrying out the tasks in the contract, including a detailed work plan and a revised detailed budget. It should be noted that CARE is proposing a contract amendment to reflect the true cost of the exercise.

An important aspect of CARE's work is to design participatory approaches that may be integrated in the CRWRSP. The report provides a preliminary outline of how participatory approaches may be integrated into the design, construction and management processes of the CRWRSP.

It must be emphasized that this report is based on initial data collection and analysis and that the model outlined here is subject to further development. The report can

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<sup>1</sup> The mission took place between 25 May and 3 June 2004. From CARE participated Mr. Nguyen Thanh Tung, Policy Adviser, and Ms. Tran Thuy Duong, Project Manager.

serve as the basis for further discussions between CARE, ADB and other partners on the participatory methodology of the CRWRSP project.

## 2 Approach and methodologies

### 2.1 General approaches

CARE proposes to apply a **social and institutional analysis** for producing the methodology of participatory planning under the CRWRSP project and for assessing the needs of stakeholders in the sub-projects in Binh Dinh and Quang Ngai.

The approach is **social** in the sense that it is based on an investigation of the social dimensions of local development. This includes an identification of all social groups involved in, or left out from, the current process of planning, implementation and maintenance of water resources management projects. Following initial identification, the interest and needs of these stakeholder groups will be identified through the use of Participatory Rural Appraisal (PRA) exercises in beneficiary villages covered by the CRWRSP. This information will be fed into recommendations for how additional project support linked to the CRWRSP could alleviate problems for disadvantaged groups that would otherwise not be able to benefit from the improvements in infrastructure.

The **institutional** aspect of the approach is an analysis of the interactions among local institutions, organizations and the social groups identified for the PRA in processes of planning, implementation and maintenance of water resources management projects. The institutional analysis includes a desk review of policies and other legal documents relating to water resources management. The responsibilities and accountability of various institutions and organizations involved in the project management cycle will be clarified. As part of the analysis, it will be assessed to which extent they possess prior experiences and are committed to participatory approaches.

The participatory model or mechanism for the CRWRSP will be elaborated in discussions that take place in provincial **working groups** composed of representatives of project stakeholders. CARE will act as a facilitator in these discussions, which will also benefit from expert advice from a consultant. The working group will use the results of the social and institutional analysis as a basis for its discussion. The working groups will be briefed on methods of achieving meaningful participation. The groups will also be tasked with assessing the feasibility of the proposed changes in light of the political, economic, social and cultural situation.

The working groups will present their proposals in **workshops** with the provincial, district and commune People's Committees (PCs) as well as relevant departments at provincial and district levels, irrigation management companies (IMCs) and mass organizations. The diagram in annex 4 outlines the various elements that will need to go into the development of the model for participation in the CRWRSP.

The last step of the work involves **documenting** the proposed participatory model and the lessons learned from implementation of the project.

## 2.2 Methodologies and tools

The approach outlined above is strongly influenced by CARE's hallmark **Household Livelihood Security (HLS)** methodology. This methodology aims at holistic analysis of the underlying causes of poverty as well as the opportunities for change through project activities. In addition to a contextual and institutional analysis, the HLS methodology looks in particular at the resources that are available to the households, including financial, physical, social, human and natural assets. The analysis leads to an understanding of the livelihood strategies that households apply to make use of their assets and to cope with risks and vulnerability. HLS analysis is generally applied to design of all CARE projects.

In the context of the desk studies and field research for the CRWRSP, CARE will focus on how villagers perceive their livelihood opportunities and constraints in relation to the planned upgrading of irrigation and flood control structures. The analysis will distinguish between different stakeholder groups based on wealth ranking and other criteria. The HLS methodology will be integrated into the guideline tools developed for PRA facilitators.

The expected impact of the changes will be described in a participatory way in terms of changes in assets/consumption, vulnerability, or conversion of assets when the access to water resources is improved. It is expected that this approach will highlight shortcomings in household assets that are required to fully benefit from access to irrigation water and protection from floods, such as knowledge of appropriate farming methods, financing of investments in land and crops, post-harvest storage and processing, transportation, etc.

In relation to the institutional context, the PRA exercises will reveal information about the perception of existing irrigation water management and fee collection and farmers' suggestions for how to improve and decentralize these institutions. While focusing on agricultural production assets, the holistic nature of the HLS exercise ensures that other concerns and opportunities are brought to the attention of decision-makers. One example of this could be the need for improving the quality of water in canals that are tapped for drinking water by the households.

The **Participatory Rural Appraisal (PRA)** methodology will be used extensively when working with communities in the sub-project area to better understand the interests and perspective of community members. Apart from providing useful and relevant information from participants, the PRA methodology has a number of advantages, such as allowing for broad participation by illiterate as well as literate people by using materials all are comfortable with. The methodology can bring out local knowledge, for instance by asking residents to define their own categories for analysis. PRA is generally known to foster confidence and a wish for increased participation among the participants.

CARE has applied PRA in a variety of settings for design, planning, implementation, and monitoring and evaluation of local development projects. Practical tools and guidelines developed for other projects will be adapted to the work undertaken in Binh Dinh and Quang Ngai.<sup>2</sup> Recently, CARE has integrated the method in a project aimed at mitigating the effects of and preventing further outbreaks of the Avian flu in

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<sup>2</sup> CARE's PRA tools include detailed guidelines for PRA and a tentative program for PRA in villages.

Binh Dinh province funded by the New Zealand Development Cooperation Agency. The strategy in this project is to build up a team of five PRA facilitators among staff of the provincial Women's Union (WU) to conduct research on how communities deal with the impact of the flu.

For the PRA exercises to be carried out under the present contract with ADB, CARE will build on the core team from the WU described above. Additional trainers are being selected from district-level WUs and Departments of Agriculture and Rural Development (DARD), bringing the number of available facilitators up to ten.<sup>3</sup> The PRA facilitators will cooperate with the commune PCs and WU cadres at the commune level to organize the PRA exercises in selected beneficiary villages of the two sub-projects.

In Quang Ngai province, CARE has agreed with the provincial level Farmer's Union (FU) that seven of the organization's staff members will be trained as PRA facilitators in addition to three staff from DARD.<sup>4</sup> The selection of the WU in Binh Dinh and the FU in Quang Ngai is based on CARE's assessment of the prior capacity, commitment and institutional network of the available partner organizations in the provinces.

CARE will not hire external consultants to carry out the actual PRA activities. The decision to use WU and FU staff should be seen as the first step of a strategy to build up PRA capacity in the two provinces. The first batch of PRA facilitators may be used as trainers for future replication of the approach, for instance for application in the CRWRSP.

### **2.3 Proposed work plan**

In relation to the above, CARE's work will generally fall in five steps:

- Step 1 – Project inception
- Step 2 – PRA training and implementation
- Step 3 – Institutional analysis
- Step 4 – Participatory model formulation
- Step 5 – Documentation

The individual steps are briefly described below. The timing of each set of activities is shown in the diagram in annex 5.

#### **Step 1 – Project inception**

These activities include initial discussions with ADB, the TA and local consultants, and other partners; desk study of relevant documentation; and the familiarization visit to the two provinces. This phase is completed with the delivery of this **inception report**, which also forms a **milestone** for the first part of the implementation.

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<sup>3</sup> The facilitators will include two from the provincial WU, three from Phu My district WU, three from Phu Cat district WU, one from Phu My district DARD and one from Phu Cat district DARD.

<sup>4</sup> PRA facilitators in Quang Ngai will include three staff from the provincial FU, four from Duc Pho district FU, and three from DARD in the same district.

### **Step 2 – PRA training and implementation**

Selection of PRA facilitators is ongoing based on the agreements with local organizations mentioned above. The training on PRA methodology will take place in the third week of July.

PRA activities will be undertaken first in Binh Dinh and then in Quang Ngai province throughout the month of August. The two sub-project areas cover 19 communes with a total of about 100 villages. In collaboration with local authorities and PRA facilitators, CARE will select 30% of the villages for the PRA exercises. The villages will be selected with a view to representing villages with different conditions and situations, such as being located at the upstream or downstream end of the irrigation system, patterns of original settlement and resettlements, wealth conditions, mountain/lowland location, etc. Within the villages, separate groups will be composed for men and women and for groups that merit special attention, such as the poorest segments.

The PRA exercises will be documented in field reports and summarized and analyzed by CARE staff. Field workshops will be held at the commune level in September to verify and consolidate findings from the PRA work.

### **Step 3 – Institutional analysis**

The CARE Program Advisor supported by a national policy consultant will analyze local government policies and the institutional setup for water resources management and associated policy areas, such as agriculture. A SWOT (Strengths, Weaknesses, Opportunities and Threats) tool will be used to assess the organizational capacity and commitment of key players who are foreseen to make use of participatory methodologies in the CRWRSP, such as the commune PC, FU and WU.

This work will be undertaken during July and will result in internal working papers and presentations for the working group discussions.

### **Step 4 – Participatory model formulation**

In each province a working group will be set up by a decision of the provincial PCs. Members of the working groups will be senior staff from DARD, DPI, DOLISA, the local IMC, and from WU and FU. The CARE Program Advisor will facilitate discussions in the working group.

The working groups will receive briefings on participatory concepts and methodologies and on the findings of the project to date. Group members will then be encouraged to apply and adapt models of participation to the context of their province and the CRWRSP. The working group will meet regularly over one week in each province during August.

The CARE facilitator will summarize the consensus of the groups into a description of workable participation mechanisms. The outcome of the working group discussions will be presented in **participatory model workshops** in each of the two provinces in early September. These workshops will allow for discussions involving a broader range of stakeholders, particularly representatives from the district and commune levels that participated in the PRA. CARE will finalize the description of the participatory model based on the workshop findings.

Recommendations on the model that could be applied to the CRWRSP will be presented in detail in CARE's **Mid-term Progress Report**, which is due in November according to the LoA. This report is an important **milestone** for the project. Initial recommendations will, however, be made available after the workshop in September for use in the pre-feasibility study for the non-core sub-projects of the CRWRSP.

### **Step 5 – Documentation**

Based on the results of the above steps, CARE will produce a draft lessons learned document in accordance with the LoA. CARE will also synthesize and compare its findings with the Technical Assistance (TA) consultants and the other NGO, WVI. A write-shop has tentatively been planned for January 2005 (subject to coordination with other participants). The final **milestone** for the work will be the **Project Completion Report**, which is due in March 2005.

### **2.4 Budget variation proposal**

In the preparation of the LoA, it was agreed between the NGOs and ADB that the cost of each PDA would be USD 50,000. Due to a misunderstanding, the budgets in the LoA that were signed only totaled USD 40,000. CARE and WVI began implementation in the interest of furthering the project objectives in step with other CRWRSP activities and with clear indications from ADB that the original budget amount of USD 50,000 would be reinstated in a budget variation. This amount covers all necessary cost related to field implementation, workshops, external expertise, in-house staff resources, etc.

A detailed budget is included in annex 8 for approval by ADB and formalization in an amendment to the LoA, as appropriate.

## **3 Outline of a participatory model for CRWRSP**

### **3.1 Concepts of participation**

This part of the Inception Report outlines some possibilities for increasing the participation of concerned stakeholders in the CRWRSP, including, in particular, the end users of the irrigation schemes at the village level.

The first step is to identify the various stages of sub-project design, implementation and management where participation can take place. A second step is to describe the various forms or purposes of participation at each step. This theoretical analysis is then combined with initial findings from desk study and the inception mission to produce some recommendations for a participatory model for the CRWRSP.

Participation can – and should in the view of CARE – take place in all stages of the projects:

1. *Project identification*: consultation with community representatives as part of the identification of new sub-project areas and definition of their scope;
2. *Project screening*: screening and selection processes can be informed by participatory analysis of the context and factors influencing the problems of water resources and livelihoods in the proposed project area;

3. *Project preparation*: examining the feasibility of various options and identifying potential resources together with communities;
4. *Project design*: choosing the optimal option, followed by refining in order to put it into practice;
5. *Project implementation*: community participation in construction of water resources management projects as well as monitoring and evaluation of the implementation process and its results;
6. *Project operation and maintenance*: community organization for implementing effective operation and maintenance functions related to project-supported structures, including ongoing monitoring of effectiveness and efficiency of the installations.

Participation does not mean the same thing at all stages of the process. The following is a summary list of possible levels of participation in projects like the CRWRSP (please refer to annex 6 for explanation of the terms below):

- a. Resistance
- b. Opposition
- c. Information
- d. Consultation
- e. Consensus-building
- f. Decision-making
- g. Risk-sharing
- h. Partnership
- i. Self-management

### **3.2 A participatory model for CRWRSP**

The participatory model sketched in annex 7 combines the two dimensions discussed above: for each of the six **stages** of the project cycle, the **level of participation** that should be aimed for is mentioned. As an example, project identification should ideally involve consultations with community representatives at the district or commune level to ensure that selection processes are based on full information from villagers and that the local communities are informed about their potential involvement in a major infrastructure project.

In addition, the participatory model lists the key **stakeholders** that need to be involved at each stage and some key **activities** that could be carried out. For instance, project preparation will be led by DARD with inputs from a range of actors, including villagers in the selected areas through the facilitation of WU and FU. The activities could include PRA exercises to determine local needs and interests of villagers and development of village development plans with a focus on water resources management that can feed into the project design.

The diagram in annex 7 introduces a number of actors or participatory structures that will be discussed in more detail in the following section. These include Water User Groups (WUGs) and commune-level Water Resources Management Boards (WRMBs).

### **3.3 Opportunities and constraints for participation**

The last part of this report addresses the factors in the broader institutional framework in the two provinces and nationally that impinge on the success of introducing participatory approaches in water resources planning and management. These factors include:

- the opportunities for Community-based Organizations (CBOs) in water resources management;
- decentralization of public planning, implementation and management decisions and responsibilities;
- the framework for people's participation in general and the Grassroots Democracy initiative in particular.

#### ***CBOs in water resources management***

According to CARE's experience, the most effective form of participation is to involve local residents directly in the project through some form of CBO structures at the community level. Virtually all CARE's rural development projects are based on village mobilization in CBOs in different forms ranging from small women's groups to village development boards. In the field of water resources management, the most common type of organization with direct participation of the end users of the resource are Water User Groups (WUGs). However, no such organizational forms exist in the provinces of Binh Dinh and Quang Ngai.

Water resources management at the local level in these provinces relies on services provided by IMCs and agricultural cooperatives. IMCs are generally seen by the users of the services as being distant and unresponsive to local demands (see next section on decentralization). Likewise, cooperatives in both provinces are inefficient and not participatory in nature. Some cooperatives have up to two thousand members. As a consequence, cooperatives suffer from a lack of trust from their own members. Furthermore, according to CARE's experience elsewhere, cooperatives are not inclusive of the poorer and marginalized groups. CARE's research shows that simpler and smaller collaborative groups are more relevant to the rural poor.

Although it is too early to make conclusions as to the nature of participatory mechanisms in the CRWRSP sub-projects, CARE foresees that relatively small WUGs consisting of households that share a common secondary canal will be a promising strategy for CRWRSP. WUGs can be instrumental in ensuring efficient and equitable local management of water control structures. Democratic and transparent decision-making processes are essential for maintaining long-term commitment by members.

There is a case for linking WUGs into broader associations. One aspect is that WUGs may be too small to have much bargaining power in their relationship with IMCs and cooperatives that deliver water-related services. Cooperation between WUGs may give them more leverage in negotiation with providers.

Another reason is the need for conflict prevention and mitigation. The inception mission was informed of latent conflicts between upstream and downstream villages and households in both sub-project areas. Especially during the dry season when water becomes a very scarce resource, there is a need for institutions that can deal with conflicts and instill a sense of common cause.

The development of WUGs is not only a question of more efficient water resource management. Improving the policy framework and local conditions for CBOs that embody the participatory principle of self-management is ultimately an issue related to the unfolding of civil society in Vietnam. CARE is currently engaged in multiple initiatives that aim at supporting civil society development in rural areas and at linking rural constituencies to the emerging NGO scene in Vietnam.

CARE's learning in this field points to the conclusion that the most effective champions of community participation at the moment are the mass organizations (i.e., the WU, FU, Youth Union, etc.). Although the mass organizations are not civil society organizations in themselves, they are able to facilitate relatively independent and participatory organizations at the community level. Both WU and FU have strong networks of cadres from the provincial to the village level. This is part of the background for the selection of the WU and FU to facilitate PRA exercises for this contract. The role of the mass organizations in mobilizing and training villagers in WUGs should be considered as part of the discussions with stakeholders.

### ***Decentralization in water resources management***

A key principle in participation is that resources and processes should be managed at the lowest possible level. This leads CARE to recommend that responsibilities for construction, operation and maintenance of water resources schemes should be decentralized to the commune level. This will allow for participation of communities in management processes.

Some government policies encourage decentralization to the commune level. The special Program to Assist the Poorest Communes (also known as Program 135) has in some cases led to communes being the owners of investment projects. In most cases, however, this authority has remained at the district level. So far, the commune level has not been entrusted with investment ownership responsibility for water resources infrastructure in the two provinces. Recent policy changes have aimed to improve the capacity mainly at the provincial and district levels. The only exceptions are projects that are heavily co-funded by local people. In those cases, communes may take charge of leading the project preparation and implementation. As an example, a program for cementation of irrigation canals in which local people contributed 60% of the total investment, established a Construction Management Board with representatives from participating communities to supervise the construction.

The CRWRSP participatory mechanism could include a decentralization of the project investment ownership to the commune level. A Water Resources Management Board (WRMB) could be established at the commune level with representatives from the WUGs. The WRMB would ensure participation in broader design and management issues relating to the entire commune, whereas the WUGs would deal with localized issues relating to a single secondary canal.

The question of decentralization also implies that the design and management of the entire water systems need to be covered by participatory structures. One issue that was pointed out to the inception mission over and over again was the problem of the tertiary canals that lead water from secondary canals onto the farmer's field. The design of the sub-systems does not include any designs for or provisions for tertiary canals as they are considered to be the responsibility of individual farmers. Most

farmers are willing to invest in construction of cement-lined canals, but this is not facilitated by the project or the local authorities.

This is an area where WUGs could play a strong role in organizing coordinated and rational design and construction of these irrigation and drainage canals. Direct community participation and contributions will assist in creating a sense of ownership and responsibility towards the entire system. Participation in the design stage is particularly important for establishment of ownership within the communities. For this to happen, however, the CRWRSP must include design and other support from the main dam to the lowest levels of the systems.

The water user fee collection system and its organization are, of course, closely related to the question of decentralization. The current management setup for operation and maintenance of water resources schemes in both provinces is centralized under provincial IMCs that report to DARD. Irrigation Stations (*tram thuy nong*) under the IMC are responsible for maintenance of the irrigation systems in its area for the collected water user fees. The Irrigation Stations have signed contracts with agricultural cooperatives or commune PCs to organize Irrigation Management Teams (*to thuy nong*). The teams collect the water user fees directly from households and receive a commission from the IMC in return for their services. Collection of fees is thus entrusted to local-level institutions, but these are not permitted to keep or decide on the use of the funds. Spending decision require approval from the IMC at the provincial level, which is a time-consuming and distant process for most end users.

In essence, the water user fee appears to be a general tax for which no direct services are provided. The result is that farmers are very reluctant to pay the fees. One cooperative reported to the inception mission that one fifth of their users had not paid their fees. Large debts have accumulated to the IMCs in both provinces, further limiting the effectiveness of the companies.

The traditional solution for poor communes and districts is to rely on central resources, including the CRWRSP, for maintenance and upgrading of their water resources systems. To achieve a more sustainable situation, the CRWRSP should not only assist in delivering hardware, but also assist in setting up decentralized water resources management systems at the local level. This includes allowing local management institutions to retain all water user fees for more efficient and responsive maintenance of commune irrigation systems. Models of this kind have been implemented in other provinces, such as Quang Binh, which can be considered for replication in Quang Ngai and Binh Dinh provinces.

### ***Grassroots Democracy initiative***

One of the reasons for decentralizing responsibility for construction and management of water resources schemes to the commune level is that a set of policies exist for promoting popular participation in government at the this level. The Grassroots Democracy policy was initiated in 1998.<sup>5</sup> Introduction of democracy at the commune level builds on the principles of “people know, people discuss, people decide, people supervise”. This entails, among other things, the right to be *informed*

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<sup>5</sup> Government Decree no. 29 of 1998 with later amendments. The most recent was promulgated in Government Decree no. 79 of 2003.

about changes in policies and budgets, to be *consulted* about economic development and other plans, to participate in *decisions* about community contributions to projects, and to *monitor* the activities of the elected representatives at the local level. The Grassroots Democracy initiative is thus a framework for people's participation in local government.

As pointed out by several observers, Grassroots Democracy has only been implemented to a limited and variable extent. The provinces of Binh Dinh and Quang Ngai have implemented several centrally mandated policies for rural infrastructure and water resources management relatively rigorously. However, none of these policies require the participation of people and communities in line with the Grassroots Democracy decree.

Instead, community participation is usually understood as the representation of the people in a centralized democracy: the People's Councils discuss and decide on projects funded by the provincial and district budgets. However, in poor provinces like Binh Dinh and Quang Ngai, even this form of participation is limited as most infrastructure investment funds come from the central government and overseas development assistance.

The only exception to this pattern of non-participation is the cases where individuals and communities contribute financial and/or physical resources to projects. In the provincial canal cementation programs mentioned earlier where local users contributed 60% of total investments, people were generally kept informed and involved in decision-making.

## Annex 1 – Terms of reference

The terms of reference for the NGO inputs to the CRWRSP were included in an Aide-Memoire prepared by Akmal Siddiq, Senior Project Economist, ADB, in February 2004:

### Terms of Reference for NGO for PDAs

#### A. Background and Introduction

1. The Government of Viet Nam has requested the Asian Development Bank to assist with the development of water resources in the Central Region of Viet Nam. Following an initial assessment, it has been agreed that the Central Region Water Resources Sector Project (CRWRSP) will focus on six provinces in the Central Region: Thanh Hoa, Quang Binh, Quang Tri, Thua Thien Hue, Quang Ngai and Binh Dinh. The CRWRSP has as its goal the sustainable improvement of water resources management in these six provinces. The project will focus on irrigation, drainage and flood control, but will also include other aspects of water management where these are considered a high priority.

2. Investments identified in the project will be assessed on the basis of five criteria: of poverty reduction, environmental sustainability, economic feasibility, disaster mitigation and integrated river basin planning (or IWRM). Following an agreement between the GoVN and the ADB, a Project Preparation Technical Assistance (PPTA) has been prepared and is currently being executed by a team led by Royal Haskoning of the Netherlands. The purpose of these terms of reference for an NGO is to support Royal Haskoning in the design of the CRWRSP. This support will also coordinate with a separate consultancy being undertaken to identify activities to strengthen strategic planning capabilities at the provincial level.

3. Following the inception period of the PPTA, it has been agreed that the design process will concentrate on two key tasks:

- (a) To identify, assess the feasibility of and design an initial group of sub-projects ('core sub-projects') for the first phase of investment in the six provinces. These sub-projects will be assessed using the five criteria identified above and will be based on a 'whole system' approach where the actions needed to improve and ensure the sustainable management of whole irrigations systems are taken as a sub-project. These ToR focus on support to this component of the design process, concentrating in particular on the identification of actions through which more effective stakeholder participation in all aspects of the project can be catalysed.
- (b) The development of actions to enhance capacities at the provincial level for strategic planning based on an integrated water resources management approach. This will include the capability to identify, plan and implement further investments to be made under the CRWRSP. Where needed, this will include the planning of capacity-building activities at the province level to be included as part of the implementation of the CRWRSP. This component will be supported through a separate additional consultancy input to the PPTA.

#### B. NGO Tasks and Outputs

4. The work of the NGO will be to support the first of these aspects of the CRWRSP design process. It will assist with the participatory needs assessment and planning for the design of core sub-projects (point 1 above). In particular, the NGO will be responsible for the development of methodologies and their application in selected subprojects for the following activities as specified in the ToR for the “technical assistance to Viet Nam for preparing the CRWRSP: (ii) “consultations with beneficiaries of the core subprojects to finalize options through rapid rural appraisal exercises” (iii) “identification of groups with special needs that should be targets under agricultural support services programs” (page 4 of the PPTA ToR).

### **C. Participatory Assessment in Core Sub-Projects**

5. The importance of stakeholder consultation and participatory planning in all stages of investment identification, design and implementation has been agreed, but to date there is insufficient experience in Viet Nam on how to include such participatory processes in designing and implementing investments.

6. The details of the methodology used for this task will be developed by the NGO in close consultation with provincial authorities and the PPTA consultants, but it should be based on standard participatory rural appraisal techniques. The activities will be undertaken in a sample of sub-projects as agreed with the PPTA consultants and the ADB. The method should include the following elements:

- (a) The identification of stakeholder groups in the sub-project area and the assessment of their main patterns of water use (and how this links to their livelihoods). Special attention should be paid to the process to identify poor households within the different communities of the sub-project area.
- (b) The identification of the main needs and priorities of each stakeholder group for improvements to water management in relation to the operation of the sub-project system under consideration.
- (c) The identification of potential benefits from the sub-project investments and the identification of any additional costs (including investments in additional technology, skills, production inputs, market development etc) needed to ensure that beneficiaries are able to take advantage of the potential benefits.
- (d) The development of a mechanism to include the views of stakeholders in the detailed design of investments to be made in the sub-project, including the scale of services to be provided and any additional investments to increase the access of different stakeholder groups to water for productive and other uses.
- (e) The development of a mechanism for the participation of different stakeholder groups in the implementation and subsequent management of the system being improved under the sub-project. This should include the development of improved links between the Irrigation Management Company responsible for the system and the users of the services that they provide.
- (f) Documentation of a methodology for participation in the identification, assessment, design and implementation of system-level sub-projects.

### **D. Management and Time Planning**

7. The NGO will be commissioned to work closely and coordinate their activities and outputs with the consultancy team led by Haskoning, although the NGO will be responsible for the completion of their own outputs as stipulated in the ToR. The timetable of activities will also be agreed with the PPC for each of the provinces in which work is undertaken and with the ADB lead Water and Poverty Advisor.

8. An inception report that details the method to be used should be presented by the end of month 2. This inception report should include the detailed specification of when further outputs will be provided, with this based on detailed discussions with the PPTA team and GoVN representatives.

9. The NGO will provide detailed recommendations for the process through which participation will be integrated into the identification, assessment, planning, design, implementation and management of sub-projects. The NGO will also provide recommendations on activities in addition to the core physical infrastructure of each sub-project that will ensure beneficiaries are able to access potential benefits. The recommendations will include a full specification of the inputs and budget needed for the integration of these activities into the implementation of CRWRSP. The timing of these recommendations will be agreed with and work to a timetable defined by the Haskoning team, to ensure that they are fully integrated into the final design of CRWRSP.

10. The NGO will provide a final report with full documentation of the approach developed, information collected and recommendations produced by month 12. The duration of the work will be 12 months from the date of signing of this agreement.

## Annex 2 – Agenda and people met during inception mission

BINH DINH PROVINCE, May 24 - 27		
Date and time	Location and department	People met
Mon., May 24 10:00 – 12:00	<b>Binh Dinh Province</b> Provincial PC	<ol style="list-style-type: none"> <li>1. Mr. Nguyen Van Thien – Vice chairman of the PPC</li> <li>2. Mr. Nguyen Van Tan – Director of the Department of Investment and Planning</li> <li>3. Mr. Vo Thanh Tien – Director of DARD</li> <li>4. Other representatives of the Provincial Women's Union, Farmers' Association and Department of Labor War Invalid and Social Affairs</li> </ol>
	<b>Binh Dinh Province</b> Provincial DARD	<ol style="list-style-type: none"> <li>1. Mr. Vo Thanh Tien – Director of DARD</li> <li>2. Mr. Phan Van Tuan – Deputy director of the Flood Control and Disaster Management Bureau</li> <li>3. Mr. Phan Xuan Hai – Director of Irrigation Project Management Unit</li> <li>4. Mr. Le Van Lich - Deputy head of the Irrigation Bureau</li> <li>5. Mr. Ngoc Hung – Head of the Agriculture Bureau</li> </ol>
Tue., May 25 08:00 – 10:00	<b>Binh Dinh Province</b> Provincial DPI	<ol style="list-style-type: none"> <li>1. Mr. Nguyen Minh Tam – Deputy director of DPI</li> <li>2. Mr. Mai Xuan Ha – Deputy head of the economic bureau</li> <li>3. Ms. Huynh Thi Thanh Thuy – Deputy head of the general planning bureau</li> <li>4. Mr. Huynh Cao Van - Specialist of the general planning bureau</li> </ol>
	<b>Binh Dinh Province</b> Provincial WU	<ol style="list-style-type: none"> <li>1. Ms. Le Thi Tuyet Suong – Chairwoman of the WU</li> <li>2. Ms. Nguyen Thanh Thuy – Standing Office Manager</li> <li>3. Ms. Hoang Thanh Nha – Specialist</li> </ol>
13:30 – 15:15	<b>Binh Dinh Province</b> Provincial DOLISA	<ol style="list-style-type: none"> <li>1. Mr. Bui Trung Dung – Head of the Policy Bureau</li> <li>2. Mr. Phan Nhu Hai – Deputy Director of DOLISA</li> <li>3. Tran Dinh Anh - Deputy Head of the Finance &amp; Planning Bureau</li> </ol>
15:30 – 17:00	<b>Binh Dinh Province</b> Provincial FU	<ol style="list-style-type: none"> <li>1. Mr. Nguyen Cong Tanh – Chairman of the FU</li> <li>2. Mr. Nguyen Xuan Diep – Vice chairman of the FU</li> </ol>

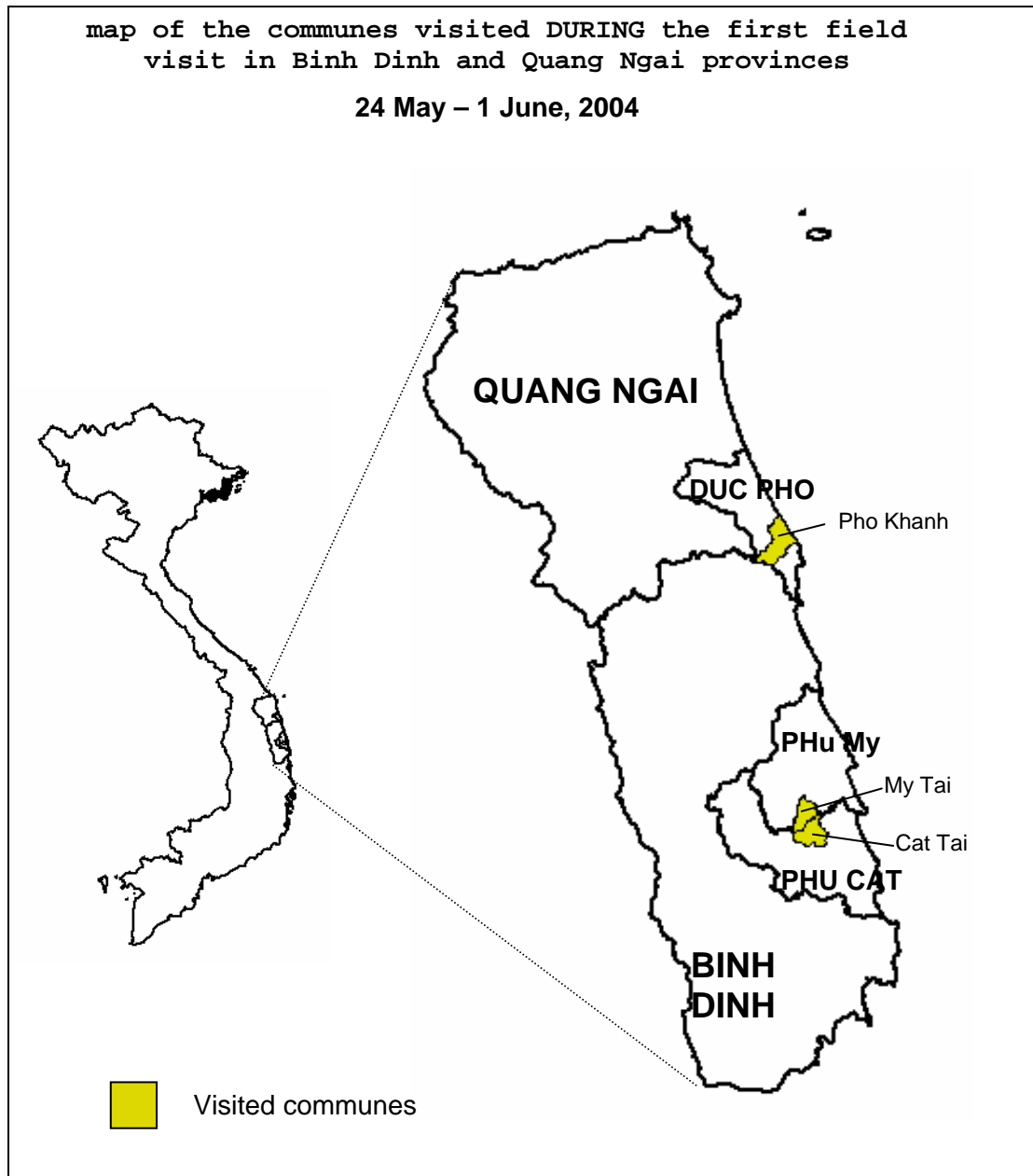
<b>BINH DINH PROVINCE, May 24 - 27</b>		
<b>Date and time</b>	<b>Location and department</b>	<b>People met</b>
		3. Ms. Trinh Thi Mieu – Vice chairwoman of the FU
<b>Wed., May 26</b> 08:30 – 11:00	<b>Phu My District – Binh Dinh Pro.</b> District DARD	<ol style="list-style-type: none"> <li>1. Mr. Tran Van Tho – Head of the district DARN</li> <li>2. Mr. Ngo Dong Chi – Staff of the District DARD</li> <li>3. Ms. Luong Thi Thu Hien – Vice chairwoman of the district WU</li> </ol>
11:00 – 12:00	<b>Phu My District – Binh Dinh Pro.</b> District DOLISA	<ol style="list-style-type: none"> <li>1. Mr. Duong Minh Hien – Head of the district DOLISA</li> </ol>
13:30 – 16:30	<b>My Tai Commune – Phu My Dist.</b> Commune People's Committee	<ol style="list-style-type: none"> <li>1. Nguyen Cong An – Vice chairman of the CPC</li> <li>2. Representatives of FU, WU, party executive committee, talented farmers, poor households, village heads and deputy heads. e.g. Mr. To Dinh Phu – Vinh Nhon village head; Mr. Dinh Day – Van Ninh 2 talented villager; Ms. Le Thi Diep – Vinh Nhon villager; Mr. Le Dinh Huynh – Vinh Ly villager; Ms. Phan Thi My – Head of My Tai WU; Mr. Le Thanh Loc – Van Ninh village head; Mr. Vo Trung Tin – Vinh Phu 8 villager; Mr. Nguyen Van Hai – Vinh Phu 7 village head; etc.</li> </ol>
<b>Thu., May 27</b> 07:00 – 07:30	<b>Binh Dinh Province</b> Irrigation Management Company (IMC)	<ol style="list-style-type: none"> <li>1. Mr. Cao Van Dung – Director of the design and consultation enterprise</li> </ol>
08:30 – 12:00	<b>Phu Cat District – Binh Dinh Pro.</b> District DARD	<ol style="list-style-type: none"> <li>1. Mr. Nguyen Thanh Tu – Director of the district DARD</li> <li>2. Mr. Dao Duy Bang – Staff of the irrigation bureau</li> <li>3. Mr. Pham Ngoc Trinh – Deputy head of the district DOLISA</li> <li>4. Ms. Ngo Thi Hong Thanh – Vice chairwoman of the district WU</li> <li>5. Ms. Le Thi Thuy Linh – Deputy head of the finance and planning bureau</li> </ol>
13:30: 16:30	<b>Cat Tai Commune</b> Commune PC	<ol style="list-style-type: none"> <li>1. Mr. Le Van Long – Chairman of the CPC</li> <li>2. Representatives of FU, WU, party executive committee, talented farmers, poor households, village heads and deputy heads. e.g. Ms. Bui Thi Lien – Chairman of the commune WU; Mr. Dinh Van Kha – Head of the Cooperative No. 1; Mr.</li> </ol>

<b>BINH DINH PROVINCE, May 24 - 27</b>		
<b>Date and time</b>	<b>Location and department</b>	<b>People met</b>
		Huynh Thanh – Thai Thuan villager; Mr. Le Van Phuong – poor household of Thai Phu village, etc.

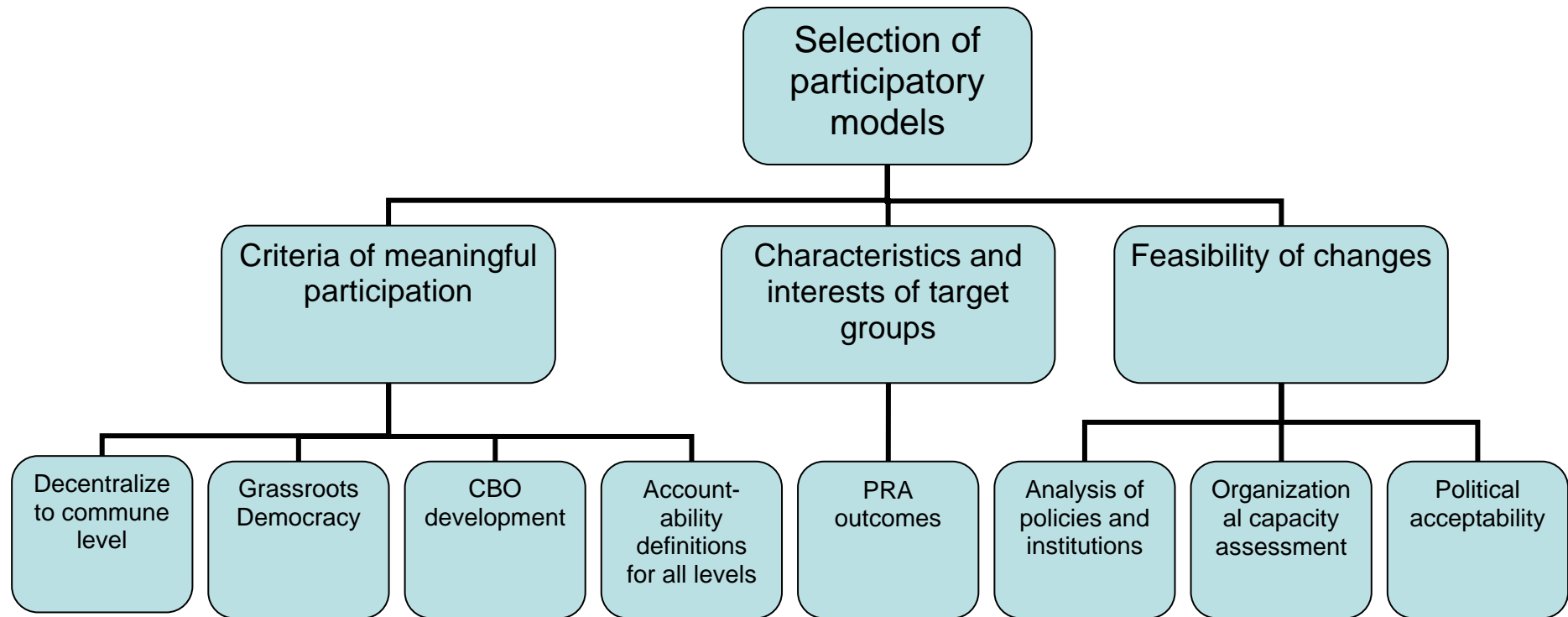
<b>QUANG NGAI PROVINCE, May 28 – June 1</b>		
<b>Date and time</b>	<b>Location and department</b>	<b>People met</b>
<b>Fri., May 28</b> 10:00 – 12:00	<b>Quang Ngai Province</b> Provincial PC	<ol style="list-style-type: none"> <li>1. Mr. Truong Ngoc Nhi – Vice Chairman of the PPC</li> <li>2. Representatives of relevant provincial departments such as the FU, WU, DARD, DOLISA, DPI, etc.</li> </ol>
13:30 – 17:00	<b>Quang Ngai Province</b> Provincial DARD	<ol style="list-style-type: none"> <li>1. Mr. Ngo Huan – Deputy director of the provincial DARD</li> <li>2. Mr. Pham Tan – Director of the provincial IMC</li> <li>3. Mr. Huynh Tan Ngoc – Technical cadre of the Project Management Board of the provincial IMC</li> <li>4. Mr. Nguyen Huu Hong – Director of the Flood Control and Disaster Management Bureau</li> <li>5. Mr. Nguyen Van Thuat – Director of the Water sanitation and environment company</li> <li>6. Mr. Nguyen Mau Van – Director of the Project Management Board of the provincial IMC</li> <li>7. Mr. Nguyen Ngoc Quang – Technical cadre of the Project Management Board of the provincial IMC</li> </ol>
<b>Sat., May 29</b> 07:30 – 09:30	<b>Quang Ngai Province</b> Provincial DPI	<ol style="list-style-type: none"> <li>1. Mr. Le Tan Hung – Deputy director of the provincial DPI</li> <li>2. Mr. Tran Dinh Thinh – Deputy head of the planning bureau</li> <li>3. Mr. Nguyen Phuong – Head of the Foreign Economic bureau</li> </ol>
10:00 -12:00	<b>Quang Ngai Province</b> Provincial WU	<ol style="list-style-type: none"> <li>1. Ms. Truong Thi Xuan Hong – Vice chairwoman of the provincial WU</li> <li>2. Ms. Pham Thi Huong – Specialist</li> </ol>
13:30 – 15:30	<b>Quang Ngai Province</b> Provincial DOLISA	<ol style="list-style-type: none"> <li>1. Mr. Phan Dinh Tuong – Deputy director of the provincial DOLISA</li> </ol>
15:45 – 16:30	<b>Quang Ngai Province</b> Provincial FU	<ol style="list-style-type: none"> <li>2. Mr. Do Van Cuong – Standing Vice Chairman of the provincial FU</li> <li>3. Ms. Tran Thi Cam Le - Vice Chairwoman of the provincial FU</li> </ol>

<b>QUANG NGAI PROVINCE, May 28 – June 1</b>		
<b>Date and time</b>	<b>Location and department</b>	<b>People met</b>
		4. Mr. Dinh Duy Sung – Head of the Inspection Board
<b>Sun., May 30</b>	<b>Quang Ngai Province</b>	
<b>Mon., May 31</b> 08:30 – 11:30	<b>Duc Pho District</b> District PC	<ol style="list-style-type: none"> <li>1. Mr. Le Van Mui – Vice Chairman of the DPC</li> <li>2. Mr. Huynh Can – Head of the Agricultural Land Bureau</li> <li>3. Mr. Nguyen Xuan Thai – Chairman of the district FU</li> <li>4. Mr. Nguyen Minh Nhat – Deputy director of the district DOLISA</li> <li>5. Mr. Nguyen Thanh Hung – Secretary of the Youth Union</li> <li>6. Ms. Dang Thi My Nhung – Specialist of the district WU</li> <li>7. Mr. Nguyen Duc Thong – Deputy head of the statistics bureau</li> <li>8. Mr. Huynh Quang Linh – District Irrigation Management Station</li> </ol>
13:30 – 16:30	<b>Pho Khanh Commune</b> Commune PC	<ol style="list-style-type: none"> <li>1. Mr. Vo Dong Danh – Chairman of the CPC</li> <li>2. Mr. Ngo Xuan Thu – Party Executive Committee</li> <li>3. Mr. Pham Kim Oanh – Vice Chairman of the CPC</li> <li>4. Ms. Bui Thi Kim Thuan – Chairwoman of the commune WU</li> <li>5. Mr. Bui Van Si – Party secretary of Dien Truong village</li> <li>6. Mr. Nguyen Thanh Tin – Dien Truong village head</li> <li>7. Mr. Nguyen Van Tri – Head of Dien Truong village's cooperative</li> <li>8. Mr. Nguyen Huu Tho – Head of the commune FU</li> <li>9. Farmer representatives, e.g. Mr. Pham Thuc – Dien Truong villager, etc.</li> </ol>
<b>Tue., June 1</b> 08:00 – 11:00	<b>Quang Ngai Province</b> Quang Ngai Rural Development Programme office	<ol style="list-style-type: none"> <li>1. Trevor Ole – Australia Team Leader</li> </ol>

## Annex 3 – Map of area



## Annex 4 – Development of participatory model



## Annex 5 – Proposed work plan

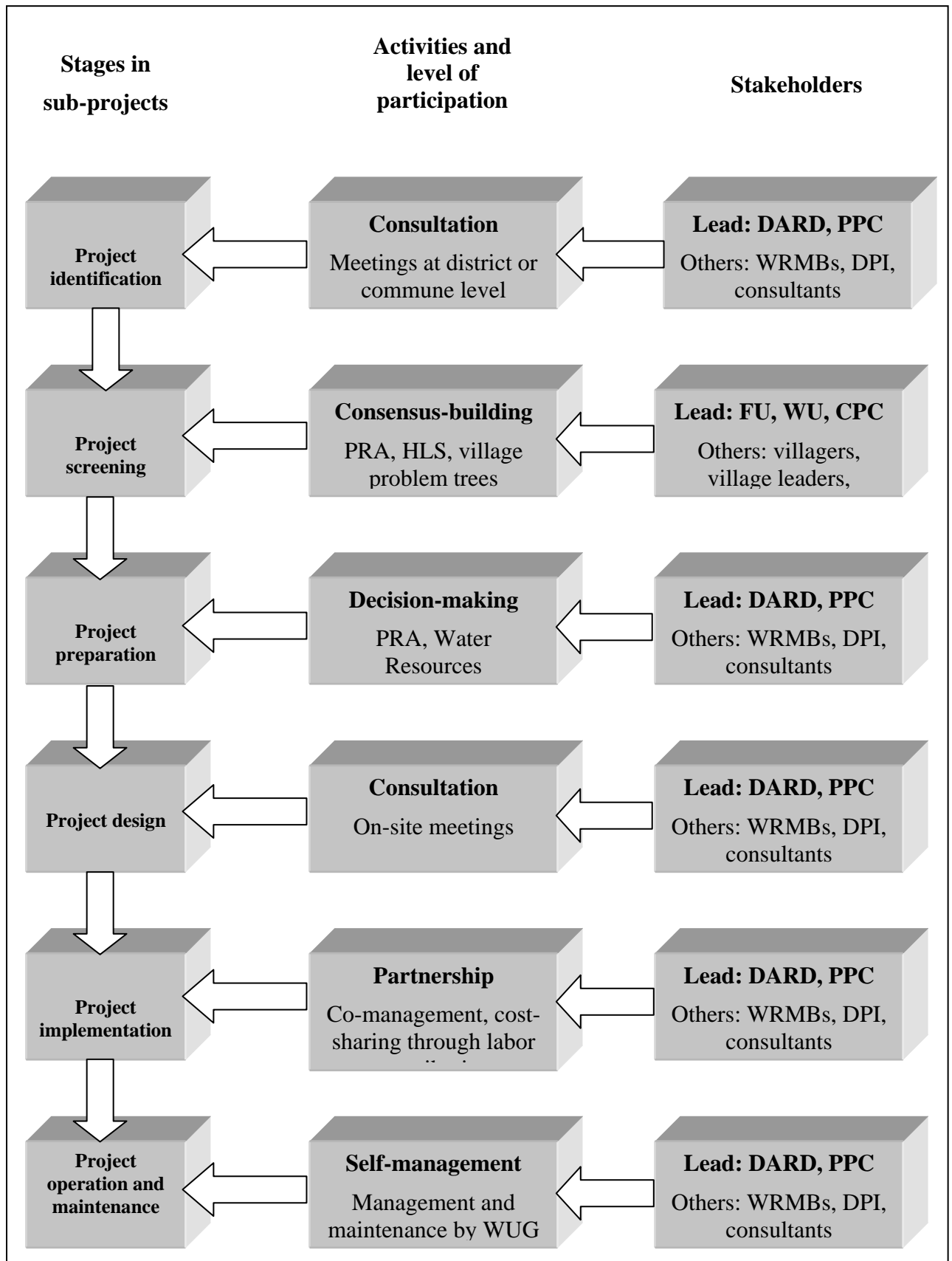
Milestones are marked in *italics*.

	2004								2005		
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PROJECT INCEPTION</b>											
Inception mission											
Finalize Inception Report											
<i>Inception Report</i>		<b>X</b>									
Methodology approved											
<b>PRA</b>											
PRA facilitator training											
Conduct PRA											
Field workshops											
PRA documentation writing											
<b>INSTITUTIONAL ANALYSIS</b>											
Field study and interviews											
<b>MODEL FORMULATION</b>											
Working group discussions											
Provincial workshops											
Documentation of model											
<i>Mid-term Progress Report</i>							<b>X</b>				
<b>DOCUMENTATION</b>											
Drafting of lessons learned											
Write-shop											
Finalize documentation											
<i>Project Completion Report</i>											<b>X</b>

## Annex 6 – Levels of participation

- a. *Resistance*: active opposition from the people concerned.
- b. *Opposition*: this is taken to mean primarily the actions that individual citizens and/or organizations take to protest against and change plans or decisions.
- c. *Information*: understood here as a one-way communication to stakeholders.
- d. *Consultation*: two-way communication. Stakeholders have the opportunity to express suggestions and concerns, but without any assurance that their input will be used, or used in the way they intended.
- e. *Consensus-building*: stakeholders interact with one another and discuss various options, with the objective of agreeing negotiated positions that are acceptable to all.
- f. *Decision-making*: citizens are directly involved in making decisions and share responsibility for the resulting outcomes.
- g. *Risk-sharing*: participating citizens are personally implicated in the outcomes, and share the risk that the outcomes might be different from what was intended. In this way, they share accountability.
- h. *Partnership*: this level builds on the two preceding ones. Here, citizens do not only take part in decision-making and accountability, but also participate in implementing decisions on a basis of equality with other stakeholders
- i. *Self-management*: citizens autonomously manage the matter at hand, thus carrying full responsibility and accountability. This is the highest level of participation.

## Annex 7 – Participatory model for CRWRSP



## **Annex 8 – Detailed budget proposal**

(Following pages)