

**Initiating Integrated Water Resources Planning
in the Vu Gia Basin**

Water for the Poor – Partnerships for Action – Vietnam

April 2006

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INTRODUCTION

The main objectives of the assignment are to (i) introduce relevant government agencies and community representatives in the basin to the principles of IWRM and the importance of coordination among sectors including water allocation, land use and social and environmental considerations; (ii) provide a forum to consider alternative operation modalities of the proposed hydropower projects to optimize benefits across water sub-sectors; and (iii) develop recommendations and follow-up for operationalizing IWRM within the basin. In the medium term, the experience gained from the PDA dialogue will provide valuable lessons to determine the composition and approach of a new RBO for Vu Gia-Thu Bon basin.

A more integrated approach to basin management is consistent with ADB support to institutional reforms in the water sector and investment portfolio in energy and water sectors. With regard to the boundaries for this activity, as an initial step, the focus is the Vu Gia river basin. Although there is interconnectivity between the Vu Gia and Thu Bon basins on the coastal plain, the Vu Gia basin can be considered as relatively independent, with the majority of the flow after the confluence directed eastwards to Da Nang. The complex interconnected river system in the coastal plain is more a feature of the Thu Bon river system. Seven of the eight proposed hydropower projects are also located in the Vu Gia basin and their influence will be mostly felt within that basin. As capacity is built for interaction and needs emerge, the boundary can be extended to include the Thu Bon basin.

Positive feedback was received from both the People's Committee of Quang Nam Province and ADB on the concept of establishing a Water Resources Committee for the Vu Gia Basin in Vietnam with the aim of promoting the principles of Integrated Water Resources Management (IWRM).

During the consultation process, DoNRE and the consultants worked together on examining options to include in the provincial decision to establish the Committee for the management and control of integrated water resources of the Vu Gia Basin (the Committee). These options included issues such as membership and roles and responsibilities. Experiences from other river basin organizations in Vietnam were examined and lessons drawn. The results of this research were used to prepare a draft provincial decision. This was submitted to the PPC for perusal and on the 14th February the Chairman of the PPC issued Decision 458/QD-UBND to establish the Committee for the management and control of integrated water resources of the Vu Gia Basin. Critically, the chairman of the PPC approved the vice-chair of the PPC as chair of the Committee. This is important because only with the vice-chair of the PPC in a leadership would the Committee have the power status to ensure that member departments and agencies

conducted their delegated tasks and cooperated. This was identified as a problem in the Mekong River Basin Organisation (RBO) sponsored by AusAID.

Decision 458 outlines the legal status of the committee, leadership and membership and startup date. Annex 1 provides a translation of the provincial decision. Decision 458 was followed by a provincial regulation outlining the functions, duties, and powers of the committee. Annex 2 provides a translation of this regulation. Importantly, the regulation presents a simple outline that is suitable to local capacity and institutional arrangements, and also creates the conditions so that revisions and changes can be made in response to demand. The result is a simple but solid institutional structure that has an inbuilt mechanism to adjust to emerging technical and management demands.

After the formalization of the Committee, DoNRE and the consultants developed the agenda for the first meeting of the Committee and training seminar. The consultant introduced a range of materials from which DoNRE made a selection to help develop the capacity of participants.

The first meeting of the Committee was conducted on the 3.3.06. It was attended by all the members of the Committee, provincial department and district officials. The meeting was opened by Mr. Anh, the head of the Committee.

The second meeting of the Committee was conducted on the 6.4.06. The Committee leadership invited district and commune officials to participate in the meeting and training sessions, which indicates their commitment to include lower levels in activities. Committee leaders are committed to using demand responsive approaches and a strategic planning process that includes the priorities of the community, especially the poor.

The Committee, DoNRE and the consultants are presently developing the agenda for the two final meetings scheduled for May and June, 2006. The development of the Committee is off to a good start. However, presently, there is no roadmap for the Committee to develop and extend its scope and activities. After this PDA, further work will be required to develop this roadmap.

This brief report has 10 sections.

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Annexes provide translation of the provincial decision to establish the Committee and the provincial regulation outlining the functions, roles and responsibilities and powers of the Committee.

RBO is a generic term covering a multitude of institutional and technical options. In this report the term will be used because of its common usage and to keep things simple. It is noted that the examples of RBO development in Vietnam have had limited effect, which has negatively affected the overall perception of the utility of basin organizations to manage and control integrated water resources.

2 BACKGROUND

Work on establishing river basin organisations (RBO) in Vietnam began in 1998, following the approval of the Law of Water Resources (LWR). The Asian Development Bank (ADB) provided technical assistance to establish the RBO for the Red—Thai Binh River Basin, over a period of three years. At that time, MARD was responsible for water resources management at national level.

The Red River RBO project resulted in a proposal for RBO design which was then reviewed by MARD and may have influenced drafting of parts of the Decree (No 179/199ND-CP) on the implementation of the LWR. That decree gave a little more detail to the functions and operation of RBOs than is briefly stated in the LWR itself. However, it was necessary to have an operating regulation to actually establish the RBO.

The LWR deals with river basin management in two ways. Firstly it requires various aspects of water resources and development to be planned and managed according to the formal river basin zonings developed under the Law, and secondly it establishes a mechanism for creating river basin organisations.

The Ministry has formally divided up the territory of Vietnam into river basins for the purposes of managing their water resources. They fall into several categories, as follows:

- The three largest basins or sub-basins, namely the Red River-Thai Binh, Dong Nai and Mekong;
- Other basins or sub-basins which cover the territory of several provinces, including the Sre Pok river basin;
- Basins which cover the territory of two provinces, which include the Ca River, Huong (Perfume) River and Thu-Bon River;
- Basins which are essentially located within one province only such as the Vu Gia basin.

There are fifteen major river basins in this scheme. Of these, eight are shared with the neighbouring countries of China, Laos and Cambodia. They include both Ca and Sre Pok River Basins. The GoV has formally established RBOs in the three major river basins: Red -Thai Binh, Dong Nai and Mekong. A single regulation was issued in April 2004 to establish all three, which have the same functions and general mandate.

METHODS AND PROCESS

The consultants developed a methodology to achieve two key objectives: (i) support the province in the development of institutional arrangements to plan, manage and control the Vu Gia basin according to the principles of IWRM (ii) support the province develop a practical process so that the priorities of poor and nonpoor groups are included in strategic planning for the basin.

The consultants conducted a literature review of materials related to the principles of river basin organizations and models of these organizations in Vietnam. These materials were provided by the Asian Development Bank (ADB), donors and government institutions. Government of Vietnam laws and policies on water resources management, decentralization, public administration reform and grassroots democracy were reviewed. The consultants examined national strategies and plans that outlined short- and long-term goals. Cooperating with the Institute of Water Resources Research in MARD, Department of Water Resources Management in MoNRE, and the ADB project supporting this department in developing the National Water Resource Strategy provided the consultants useful materials and insight as the strategy was being developed. In the provinces, the consultants reviewed socio-economic, spatial and sectoral plans, such as provincial water resource strategies and poverty reduction strategies.

The consultants consulted with provincial, district and commune officials to develop a **consensus** on methods to conduct activities. This ensured that activities were practical, replicable and sustainable in local conditions and accorded with ADB requirements. One disadvantage with this method was that it takes time to develop a consensus, as issues need to be presented, discussed and agreed with a range of stakeholders before implementation of activities.

The consultants did not start consultations with a prescribed model, but discussed and examined options used by local leaders to make decisions, and then developed practical ways to improve the effectiveness and efficiency of decision-making processes. Meetings were conducted to discuss the local water management and planning practices and outline the consultants' perspective on the application of IWRM in the province. From these discussions, a framework for action was developed that reflected the consultants' methodological requirements and officials' acknowledgement that the framework had practical application.

A guiding principle was the use of a demand responsive approach during the development the institutional arrangements of the organization. Purposely, the model developed was **simple** in structure, membership and roles and responsibilities. This helps to ensure that the organization is suitable to the existing capacity of local planners, managers and technicians. The key is to work with the province to develop and stabilize the basic institutional structure before more complex technical and planning issues are placed on the agenda of the organization. It creates the conditions so that the scope of different aspects under the management and control of the organisation can be extended

as capacity is developed or if there is a local demand to widen the responsibilities of the organization, for example the inclusion of the Thu Bon basin.

To ensure that the process was **practical** and included the priorities of the poor, issues such as poverty, vulnerability and the relationship between water and the community were discussed with commune and district decision-makers and the community. The approach was to understand how officials and the community went about identifying priorities in water management, the relationship between water and health, and the relationship to poverty reduction using the skills and knowledge developed from their practical experiences; for example, government service, non-government service, PRA methods and grassroots democracy. The consultants wanted their ideas on how they resolve problems and recover from critical problems such as natural disasters and economic shocks. To ensure the legitimacy and **replicability** of the process, the consultants did not introduce an external development model but couched the process in the GoV legal framework.

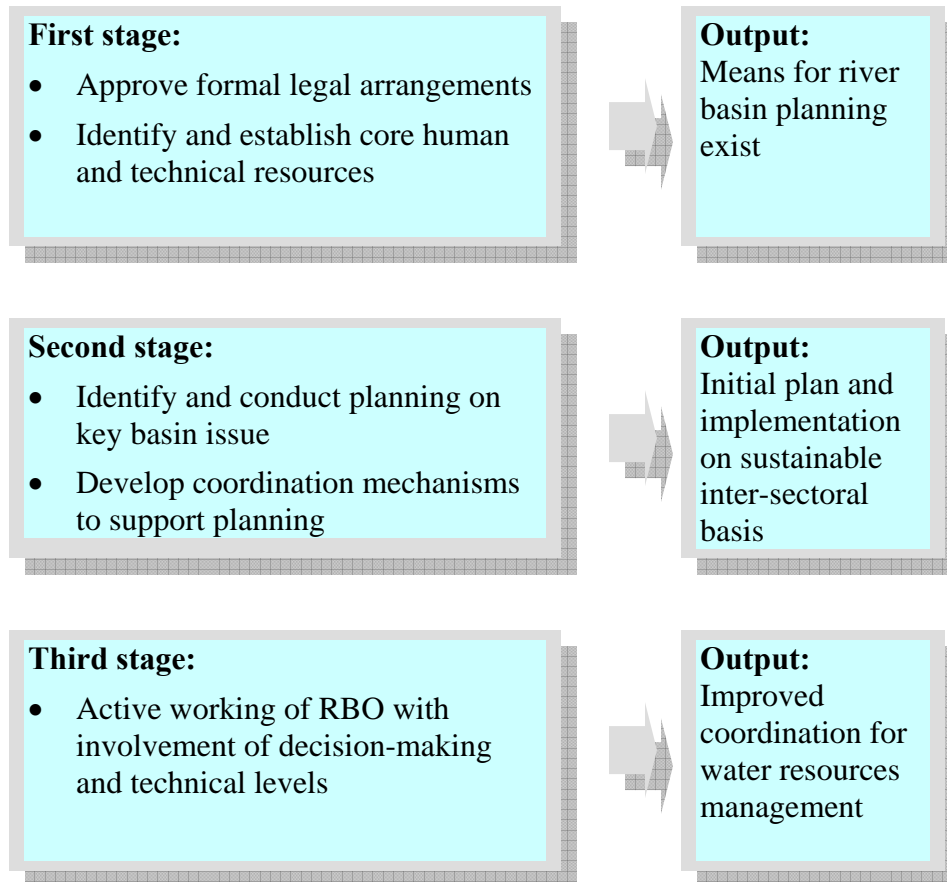
The issues that are the focus of actions in achieving more effective IWRM approaches are essentially political: they are about how decisions are made and how to influence these decision-making systems. Technical and management issues are important in terms of identifying what needs to be done, but this alone will not change things. It is essential to reach and influence the decision-making process and, where needed, support and enhance the capabilities of decision-making to improve policy and strategic planning processes.

The national level is important in setting the overall policy, legal and regulatory framework and in defining overall goals and targets. However, it is the province level that is pivotal in defining whether things really change on the ground. If it is to achieve anything, it is the provincial level that must be the focus of efforts to enhance capabilities and influence decision-making on water management and related issues to have a stronger pro-poor character.

The consultants decided that the process needed to be long-term in perspective, and flexible and creative to be integrated into existing initiatives. This created tension as, on the one hand, initial discussions need to have clarity of meaning and purpose but, on the other hand, any strategy for developing the process that is too rigid and pre-conceived is likely to be inappropriate for local circumstances and miss opportunities that could not be identified in advance. As a process with these characteristics, it requires strong institutional backing and strategically placed 'champions' that become its main advocates. It also needs strong roots in both water management and poverty reduction approaches. These were available by anchoring the process in the Comprehensive Poverty Reduction and Growth Strategy (CPRGS) and through a strong link to the development of the National Water Resources Strategy.

One output of the provincial consultations was an outline of three stage process as a focus for the development of the workplan and implementation of activities.

Stages Towards the Effective Development of Organisations for the Management and Planning of IWRM for the Vu Gia Basin.



The second stage has not been fully reached by any water management and planning organisation in Vietnam. In this stage, some planning must be done. It is the view of the consultant that the involvement of key basin decision-makers in an RBO will not occur in a serious manner until the RBO is undertaking some planning which involves them

directly. Although the RBO does not make decisions or exercise authority, it does enable key decision-makers to make decisions in coordination. Also, the RBO does not change the authority structure, but encourages a different way of working within that structure.

4 GENERAL FEATURES OF RIVER BASIN ORGANISATIONS

River basin organisations have developed where it has been necessary to share the waters of a river basin between two or more countries, or between two or more sub-national provinces or states. All countries divide their territory into local areas for administration and where two or more administrative areas lie within a single river basin, they may need to cooperate for water management.

Throughout the world there are many different river basin organisations. Some have been in operation for more than 100 years, but many are very recent. RBOs have been created at many different scales. Some cover complete river basins, while others cover only one sub-catchment or one part of a basin.

Recent surveys of RBOs have identified three core functions which mostly they have in common. They are:

- ***Coordination of water management activities:*** the organisation assists various water sector organisations to conduct their activities in a consistent manner, so that the basin as a whole is managed more optimally;
- ***River basin planning:*** the plan is the chief management tool for coordinating the management of water resources and ensuring the long-term sustainability of water resources and enterprises relying on water;
- ***Conflict resolution:*** bringing together two or more parties with interests in the same rivers and water resources, to develop solutions which all parties can accept.

These three functions may be undertaken by an RBO without depriving other water management agencies of their functions. However, all forms of cooperation require agencies to consider other interests and some agencies regard such consideration as limiting their freedom. These three functions may be exercised without granting the RBO powerful control functions, but in such cases genuine cooperation is required between the participants.

4.1 Types of River Basin Organisation

There are numerous types of RBO, but generally they assist other agencies to exercise their functions and controls in harmony with each other and keeping in mind the objectives for sustainable water management at the basin scale. RBOs may have other functions than the three listed above, in particular:

- Allocation of water resources between territories or between sectors;
- Joint management and operation of hydraulic works, such as dams which cross jurisdictional boundaries.

These functions are undertaken when it is necessary for joint action – where action by one party alone is not adequate. In these cases, the RBO may exercise powers and may control water resources. Examples of RBO-type organisations which physically control the water in rivers are the Brantas RBO in Indonesia, the Mahaweli Authority, which

controls the Mahaweli River in Sri Lanka and the Tennessee Valley Authority in the USA. These organisations control physical infrastructure as well as undertaking other functions. The Tennessee Valley Authority model was not replicated anywhere else in the United States because it was too powerful and took over functions from local government. Authorities in other localities were not keen to have an RBO which took over their functions.

Many RBOs have been established to jointly manage international or inter-jurisdictional water resources according to an agreement between the parties. The earliest agreements have been on water sharing but in recent years there are international agreements on water protection and groundwater management.

5 NATIONAL POLICY AND LEGAL FRAMEWORK

5.1 Legislation Governing Water Resources

Although many sectors have some involvement in water management, the primary legislation governing water resources is the Law on Water Resources, which was adopted by the National Assembly in 1998 and came into effect on 1 January 1999. The LWR created the unified management of water resources in Vietnam and introduced important new concepts, which include the allocation and protection of water resources, integration of water management on the river basin basis, and planning for water resources according to river basins. Programs implemented under the LWR must also be consistent with national economic, social and environmental policies and objectives.

5.2 Legislation Dealing with RBOs

Since 1998, when the Law on Water Resources was approved by the National Assembly of Vietnam, the Government of Vietnam (GoV) has made clear its intention to establish RBOs as a method of improving coordination and the management of water resources. The GoV has taken various actions to establish river basin organisations. The first was the adoption of the Law on Water Resources. Article 64 of the Law provides for setting up planning management councils for river basins. The Prime Minister issued an implementing decree for the Law on Water Resources in 1999 (179)¹, and the Minister for Agriculture and Rural Development has issued other related decisions, including for the operation of the NWRC.

In 2004, the MARD also established the General Office for River Basins Planning Management within its Department of Water Resources. The functions of this Office include: coordination of ministries, line agencies, and provinces on implementing RBO responsibilities; and monitoring and synthesising the work of RBOs.

The GoV has received donor assistance to establish the three major river basin organisations – the Red -Thai-Binh River system (26 provinces), the Dong Nai river basin (12 provinces) and the Mekong delta (12 provinces). These have been all been

¹ The implementing decree No. 179/1999/ND-CP, stipulating the Implementation of the Law on Water Resources.

established under a similar model by a common regulation. For these basins, the GoV has implemented the following:

- Regulations establishing the RBO and governing its administration;
- Support for the administrative development of the RBO;
- Technical support for the RBO;
- Capacity building for staff of the RBO and staff who will work with the RBO.

The Minister of Agriculture and Rural Development issued a regulation in April 2004 for the operation of the three major river basins in Vietnam. A further regulation has been drafted and is awaiting approval, for the river basin of the Vu Gia-Thu Bon, which involves two provinces. The GoV has now agreed in principle to develop RBOs in the river basins of the Ca and Sre Pok rivers. RBOs may also be established in other river basins in the future. River basins which fall entirely within the territory of a single province will not require a river basin organisation. Presently, the Ministry of Natural Resources and Environment (MONRE) has stated that it has been directed by the Office of Government to draft legislation which will clarify responsibility for river basin management in MONRE and link river basin planning more closely to the NWRC.

RBOs in Vietnam can undertake the three core functions listed earlier, but the present legislation does not allow an RBO to have state management functions. The LWR and the implementing decrees and decisions make clear that RBOs are to:

- manage river basin planning;
- assist in the resolution of water conflicts;
- assist water sector organisations and authorities to coordinate their decisions and programs for the water resources of the basin.

During the development of the first RBO in Vietnam, for the Red -Thai Binh River Basin, there was debate within the administration about the powers and functions of river basin organisations. In the decision of the Minister of Agriculture and Rural Development (2004), the major river basin Councils were given the following functions:

- *Assess planning alternatives, basic survey projects, inventory reports and assessments of water resources in the river basin;*
- *Review outcomes of planning activities and make proposals to complete and/or supplement to planning schemes on integrated water use, irrigation, flood control and water protection within the river basin;*
- *Work in collaboration with relevant agencies in implementation and supervision of implementation of planning projects that are approved by authorised state agencies;*
- *Collaborate with relevant agencies to develop a data and information management mechanism to support water management, exploitation, utilisation and protection activities within the river basin;*

- *Develop and recommend programs on capacity building and awareness raising for organisations and individuals in the river basin in terms of water management, exploitation, utilisation and protection;*
- *Submit reports on the status of water resources exploitation, use and protection within the river basin.*

The RBO should specifically monitor and report on the results of planning – whether the river basin plans are being followed by agencies. If not, action should be taken to inform the NWRC, the relevant ministry, or the PPCs of the provinces, so that action can be taken by them.

In 2005, The Ministry of the Interior submitted a report to Government on the functions of the 2 Ministries regarding river basin management. The report concludes that “ *MoNRE has the main function of water resource regulation. MARD should have the function of participating in the river basin management (with other ministries and sectors) and continue regulating the water disasters protection, prevention and mitigation. This suggestion is agreed by many specialists (for instance, many scientists from construction, water resource associations etc. who participated in the VIE/01/021 project on integrated river basin management for Vietnam under the Ministry of Planning & Investment, with a view to sustainable development)*”.

The Ministry of the Interior’s report also recommends that: “*MoNRE shall takes the core responsibility, coordinating with MARD, to continue with the development of a Government decree on integrated river basin management; as well, the Decree number 86/2003/ND-CP dated 18/7/2003 will be adjusted to remove the function of coordinating river basin management of MARD*” (No.1957/BNV-TCBC)

The Decision of the Prime Minister in 2005 on the promulgation of the Government’s action plan to implement Resolution No. 39/NQ-TW of the Political Bureau on socio-economic development, national defence and security of the North Central and Coastal Central regions to 2010 outlines the respective functions of many Ministries, and for MoNRE and MARD these are stated as follows:

- MONRE shall lead research and development, then submit to the Government for approval: the review and adjustment of land-use plans to 2010; plans for the integrated exploitation and use, and protection of water resources in major river basins; disaster management projects in the North Central and Coastal Central regions, and; integrated Coastal Zone management programmes.
- MARD shall assume the prime responsibility and coordinate with concerned ministries, branches and provinces in checking, adjusting and supplementing the development plan for agriculture, forestry and irrigation with emphasis on the improvement and enhancement of research network ... and the planning of hydraulic development to ensure flood prevention and protection, water supply, natural disaster prevention and mitigation, regional ecological environment protection.

5.3 National Water Resources Strategy

Approved in 2006, the general objectives of the National Water Resources Strategy (NWRS) are the sustainable development and integrated water resources management are (i) the effective protection of water resources; ensuring water demand for socio-economic development and environmental protection; prevention, control and remedy of water related natural disasters; having sufficient, comprehensive knowledge on water resources, and (ii) unified management of water resources based on complete, effective cooperation, coordination between levels, sectors, localities, large water users, the whole society and the international community, in order to achieve optimal and comprehensive benefits, while not harming the sustainability of water resources and dependent ecological systems, and not jeopardising water resources for the future generations.

The main principles of the NWRS include:

- The NWRS must be implemented harmoniously, through a focused, step by step approach. Implementation strategies must satisfy immediate and long term objectives and must be important factors for implementing industrialisation and modernisation of the country from now up to 2020 and next years.
- Protection and development of water resources must ensure system characteristics of river basins, rather than administrative boundaries, and the natural process of aquatic systems and ecological systems, especially for rare and precious species with economic as well as scientific values, preserving the diversity of the Viet Nam aquatic ecological systems at present and in future.
- Enhancing effective State management of water resources; increasing obligations and responsibilities of organisations and individuals in protection, exploitation and use of water resources; prevention, control and remedy of water related natural disasters.
- Integrated development of sectors and local economies must be appropriate to the available water resources and the protection and development of water resources. Exploitation and use of water resources must be multi-faceted and harmonious with the benefits of each sector, locality and the community and strengthen relations between regions and areas in order to ensure balance, high economic benefits and environmental protection.
- Investment in protection and sustainable development of water resources is an investment for development, contributing to the creation of sustainable development of the country, bringing in socio-economic benefits in the short and long terms.
- The State shall ensure necessary investment resources and at the same time mobilise contribution of the communities and international assistance for enhancing protection, sustainable development of water resources and prevention, control and remedy of water related natural disasters, based on capability and conditions for socio-economic development of the country in each period.
- With the assistance from the State, all sectors, localities and communities need to mobilise internal efforts in implementing the water sector socialisation policy for the protection and restoration of water resources.

REVIEW OF RIVER BASIN WATER MANAGEMENT ORGANISATIONS IN VIETNAM

The three major river basin organisations have similar institutional arrangements. These are:

- They comprise a representative council and an office;
- The council is chaired by a Vice-Minister of MARD (Vice Minister responsible for water resources);
- The deputy chairman is the Director of the Department of Irrigation in MARD;
- The council has members representing ministries in Hanoi, at director level;
- The office is located within a branch of MARD, in the case of the Red River RBO, in the Institute of Water Resources Planning (IWRP) in Hanoi, and in the case of Dong Nai and Mekong in the Sub-Institute of Water Resources Planning (SIWRP) in Ho Chi Minh City.

The primary function of RBOs, according to the LWR, is river basin planning. In the course of such planning, RBOs are expected to coordinate water resources management, or assist in improving the coordination. For planning purposes they require data from a number of sources and for this reason have been given the right to obtain water resources data from other organisations.

Red – Thai Binh River Basin Organisation

The Red River basin is the largest in Vietnam, with a population of some 25 million. About 50% of the total area of the basin lies within Vietnam, downstream of China. The delta of the Red River has a population around 19 million. The management of water issues in the Red River has required concentration on sub-basin areas, because the total basin within Vietnam is too large and disparate. Although there are links between upland catchment condition and middle-to-lowland river flows, the upland solutions must be applied locally. For this reason, it is difficult to identify basin-wide water management issues. The Council of the Red River RBO has met once, to consider and endorse the first phase of the ADB supporting project, which surveyed identified the water management issues. Support for this basin is now concentrating on a small number of planning and management studies, which include:

- Water shortages and water allocation in the Cau River sub-basin
- Water quality problems in the Day river in the vicinity of Hanoi.

For the purposes of these studies, there are attempts to organise meetings at which the PPCs of a limited number of provinces in the basin discuss and decide how to proceed. For example, the six provinces in the Cau River Basin are being organised to contribute to and eventually implement a water allocation program to deal with water scarcity in that river.

Dong Nai River Basin Organisation

There are twelve provinces in the Dong Nai River Basin, and the major issues are: water quality in the downstream reaches of the river, caused by industrial and urban discharge and pollution; and the potential impact of current and future hydropower dams on the river flow². The river basin organisation for the Dong Nai River was established by regulation in 2004 and has met to consider a general strategy statement. It has been supported by technical assistance from ADB, which is now completed. The office of the RBO is located in SIWRP. However, no serious action is taking place at present.

Mekong River Basin Organisation

There are 12 provinces and the City of Can Tho in the Mekong delta. The delta is a closely linked area, with some important common water management problems, notably flooding, some water scarcity, more localised water quality problems, including runoff from agricultural areas, acid sulphate affected areas, and in coastal and estuarine areas two problems – conflict between aquaculture and agriculture water needs, and salinity levels in estuaries and rivers.

The Mekong RBO was established by regulation in April 2004, at the same time as the other two large basin organisations. Its office is located in SIWRP, and it has been supported by technical assistance from the Australian Agency for International Development (AusAID). During the technical assistance, a survey of water management issues was undertaken, with an extensive community consultation. The assistance provided information on the design of the RBO and its tasks.

7 ANALYSIS OF RIVER BASIN WATER MANAGEMENT ORGANISATIONS IN VIETNAM

The chairman of all the three RBOs described above is the same Vice-Minister of MARD, and members are representatives of central ministries, located in Hanoi. It is clear that for the Dong Nai and Mekong RBOs such membership is not very appropriate. Hanoi-based officials have little direct contact with or knowledge of the water management activities of the basin. The national level does not have a direct incentive to solve water management problems in the provinces, because those problems are only brought to ministries in a general sense, either by political initiative from above, or by upward pressure from provinces.

The RBO councils also have associate members who are the water leaders of DARD in the provinces. However, there is no direct link to the PPC of any province, although the PPC is the major decision-making body under the central level, for water management. Although PPC members may not consider that they are responsible for water resources management (which they consider to be a responsibility of MARD and MONRE), when it is pointed out to them that they are the implementers of most water management programs and solutions, they can immediately identify numerous water resources issues

² Construction of two new hydropower reservoirs on the Dong Nai River, part of the Dong Nai “cascade” has recently commenced.

which are of direct concern to them and for which they are seeking solutions. The inappropriateness of the membership of the large RBOs means that they are not likely to be effective.

To a large extent, Vietnam has decided at central level that there should be RBOs and has therefore gone about setting them up without clearly identifying whether there is a pressing need. International donors have also supported this approach. However, a serious problem is that when RBOs are legally established, they do not become active, for lack of any significant task. The lack of tasks is for at least four reasons:

- The RBO system is unfamiliar and officials are not sure how it should work and what it should do that is not already being done;
- Some of the mechanisms that should be in place are not – for instance, hydropower planning, through Electricity Vietnam (EVN) should be incorporated into RBO planning, but is actually carried out quite independently;
- The emerging issues for water management in Vietnam, particularly conflicts over the use of water, are not recognised as being serious enough for urgent action;
- Strategic water resources planning at basin level has not been initiated.

In theory, RBOs are very necessary, because the hierarchical administrative system of government in Vietnam does not promote lateral coordination. Therefore, if there is a water diversion conflict between two commune-based irrigation schemes on either side of a river, located in neighbouring provinces, there is no easy mechanism for optimising their water diversion. An RBO with a sub-catchment mechanism could be used to facilitate lateral coordination between such communes, but although there is a simple solution, it may be too radical to be implemented at this time.

Experience since the first RBO project has shown that it is very difficult to establish coordination mechanisms within the government administration that cut across the normal lines of authority. Thus, establishing a lateral coordinating mechanism is not straightforward in Vietnam.

There is a conflict of ideas about river basin planning. River basin plans and strategies have been developed for the major basins, but they are biased towards irrigation and many are based on provincial, not basin, boundaries. What is required is a “strategic” approach to planning, that begins with the identification of broad basin goals and objectives (across all sectors, develops strategies to achieve the goals and objectives, and then formulates a number of action plans (which may well be sector-specific) to implement the strategies. An effective RBO is well placed to guide and facilitate this planning process.

8 ASSESSMENT OF INSTITUTIONAL ARRANGEMENTS FOR IWRM IN QUANG NAM

There is a wide range of institutional capabilities in Quang Nam that can be built on, but these capabilities lack coordination and suffer from some key gaps in the policy, legal and institutional framework. Research identified a range of challenges:

- **Coordination:** Lack of coordination between different departments and agencies involved in carrying out aspects of IWRM. This is true within the government system: there is little or limited coordination between the different departments in the province. It is also true between the government, donors and NGOs working in the field.
- **Decentralisation:** There is a need to ensure that the structure of decision-making in IWRM is re-organised to devolve authority, in line with government policies on decentralisation. This includes more effective links between the provincial and lower levels, building provincial capacities and institutional processes within Quang Nam province so that there is coherence in the actions at province, district, commune and community levels.
- **Responsibilities** and duties of officials have not been revised in line with the process of decentralization. If responsibilities are not regularly revised and clarified in this changing milieu, then further progress in the decentralization process will be affected. Outcomes from decentralisation need to focus on both developing institutional arrangements between line agencies, levels within each line agency and also ensure reforms are implemented consistently at local levels.
- **Inspection** and monitoring of technical aspects has not been carried out effectively by inspectors to ensure that the different levels of government implement reforms consistently according to the law. If regular and thorough inspection and monitoring is not conducted there is the potential for deviations and distortions during the implementation of policies and corruption developing unchecked.
- **Participation:** There has been limited participation of the community in selecting options related to IWRM. In many communes, grassroots democracy is not effectively implemented. There are models of good practice in community participation available, in particular from donor-assisted and NGO projects, but these have not been mainstreamed in Quang Nam.

9 ESTABLISHING THE COMMITTEE FOR THE MANAGEMENT AND CONTROL OF INTEGRATED WATER RESOURCES IN THE VU GIA BASIN

Initial Provincial consultation

The consultations process with provincial and district officials started in early October 2005 with a series of meetings and discussion. The consultants met with all key departments and agencies that coordinate, manage or implement activities related to IWRM. These include PPC, DPI, DoHA, DoI, DoNRE, DARD, DoH, EVN and DOLISA.

Objectives of the initial consultations

1. Introduce the ToR and consultant to key stakeholders

2. Consult with stakeholders on present conditions and priorities related to the IWRM of the Vu Gia basin
3. Discuss stakeholders' expectations from this project including institutional arrangements and human resources development
4. Collect plans, reports and other materials relevant to the project
5. Discuss and agree on a workplan to carry out project activities
6. Recruit local people to help carry out project activities

Key Observations from the initial consultations

There was a lack of awareness on IWRM principles in most departments but there was the political will to develop the proposed provincial water management organisation to respond to this gap. All departments and agencies acknowledged the important of involving key district officials in the WRRC. Involving the community in strategic planning for the WRRC was viewed as crucial but how to put this in practice was unclear.

On 13.4.2005 the Minister of MARD issued Decision 20 to establish the Board for Management and Planning Water Resources of the Vu Gia-Thu Bon Basin. This Board is headed by the vice-Minister in MARD, and the director of DWR and vice-chairs of Quang Nam and Da Nang are deputy leaders. This committee has met once and no operational guidelines have been issued. Departments in Quang Nam (except DARD) do not expect this committee to have an impact in the future.

The consultants' response to this issue was to ask for clarification from provincial leaders on their perspective on the relationship between the proposed provincial water management organization and the organization established by MARD. It was very important that this is clear from the start otherwise problems could emerge later in the assignment.

The Consultations and Process

In line with the methodology, consultations with DoNRE resulted in agreement that the department would prepare a draft workplan for the cooperation between the province and the consultants. It is important that the key partner prepares this workplan so that it is suitable for the department's annual workplan and ensures local ownership of activities. This workplan was presented to the PPC vice-chair Anh in a meeting on the 12th December, 2005. The content of the workplan included the steps to establish the Committee, and the programme of activities for committee meetings and workshops. At the end of the meeting Mr. Anh agreed with the workplan and committed the province to create the conditions for the establishment of the Committee. Mr Anh also nominated DoNRE to organise the organization of the Committee on behalf of the province, and function as its office after formalization. This function places DoNRE in the role of coordinator of the organisation's activities and adviser to the PPC.

DoNRE and the consultants worked together in examining options to include in the provincial decision to establish the Committee. These options included issues such as membership, powers, and roles and responsibilities. Experiences from other basin organizations in Vietnam were examined and lessons drawn. The results of this research were used to prepare a draft provincial decision. This was submitted to the PPC for perusal and on the 14th February the Chairman of PPC issued Decision 458/QD-UBND to establish the Committee for the management and control of integrated water resources of the Vu Gia Basin. Critically, the chair of the PPC approved the vice-chair of the PPC as chair of the Committee. This is important because only with the vice-chair of the PPC in a leadership would the Committee have the local power status to ensure that member departments and agencies conducted their allocated tasks. This was a problem in the Mekong RBO sponsored by AusAID.

Decision 458 outlines the legal status of the committee, leadership and membership and startup date. Annex 1 provides a translation of the provincial decision. Decision 458 was followed by a provincial regulation outlining the functions, duties, and powers of the committee. Annex 2 provides a translation of this regulation. Importantly, the regulation presents a simple outline that is suitable to local capacity and institutional arrangements and also creates the conditions so that changes in can be made in response to demand. The result is a simple but solid institutional structure that has an inbuilt mechanism to adjust to emerging technical and management demands.

After the formalization of the Committee, DoNRE and the consultants developed the agenda for the first meeting of the Committee and training seminar. The consultant introduced a range of materials from which DoNRE made a selection to help develop the capacity of participants. The materials included:

- Topic 1. Integrated Water Resources Management - International Best Practice
- Topic 2 - Strategic Planning of Water Resources - From Goals to Action Plan
- Topic 3 - Strategies for Water Resources Data Management and Information Technology
- Topic 4 – Community Consultation in the Decision-making Process
- Topic 5 – Policy and Legislation
- Topic 6 - Environmental Sustainability Development Issues
- Topic 7 - Water for Hydropower
- Topic 8 - Management of Land & Water Interactions
- Topic 9 - Water Supply & Sanitation and Water Resources Management

- Topic 10 - Water Resources Management and Poverty Reduction

The first meeting of the Committee was conducted on the 3.3.06. It was attended by all the members of the Committee, provincial department and district officials. The meeting was opened by Mr. Anh, the head of the Committee. The provincial decision and regulation were read so that all participants were clear about the power and role of the Committee. Participants discussed the implications of the organization. During the day workshop, training was provided on three issues. Firstly, the vice-director of the Department of Water Resources Management, MoNRE presented on policy and legislation. Secondly, an official from the Institute of Water Resources Research, MARD presented on water for hydropower. The consultants present on water resources management and poverty reduction. By inviting representatives from the two main ministries responsible for RBOs and IWRM, it provided Committee members and workshop participants an update on central level policy and perspectives, and also national level was informed of the initiatives taken by the PPC and DoNRE in Quang Nam.

From the 14th -16th February, Mr. Cong, the Director of DoNRE and the Permanent Deputy of the Committee was supported by ADB to attend the Second General Meeting of the Network of Asian River Basin Organisations in Jatiluhur and Bandung, Indonesia. Mr. Cong commented that he gained much information and knowledge about water integrated water resources management and experiences in Vietnam and other Asian countries. He said that he would use his experience to improve IWRM in Quang Nam by developing the provincial Committee.

The second meeting of the Committee was conducted on the 6.4.06. The Committee leadership invited district and commune officials to participate in the meeting and training sessions, which indicates their commitment to include lower levels in activities. Committee leaders are committed to using demand responsive approaches and a strategic planning process that includes the priorities of the community, especially the poor. Training sessions were provided by Mr. Thien from the Southern Institute of Water Resources Research who presented preliminary results from work conducted in the Song Bung 4 project sponsored by EVN and ADB. Topics included seasonal fluctuations in Song Bung 4 reservoir level, daily changes in flow rate downstream of the power station and how it attenuates downstream., how this variability would be reduced if SB5 is used as a re-regulating reservoir, extent that dry season flows in the lower basin will increase as a result of hydropower dams impact on salinity intrusion in coastal areas of this increase in dry season flows, the effect of change on flood peaks in coastal area, sedimentation, variability of water temperature and dissolved oxygen in reservoir and releases downstream and finally a statement on how the model can be used in the future for basin planning and management - a tool for future use by the Committee. Presentations were also given by Mr. Dung and Mr. Thanh DoNRE Quang Nam on the relationship between land and water resources management. The consultants presented key principles of integrated water resources management.

NEXT STEPS

The work done so far is a good start. After reviewing the experiences and lessons learnt from river basin organization and public administration reform projects in Vietnam and drawing on personal experiences in projects, an institutional model for the management and control of water resources for the Vu Gia basin was developed. This model is both simple in nature and flexible so that issues such as membership, roles and responsibilities can be modified to respond to emerging problems, improve the effectiveness of the organization or when there is a demand by present stakeholders or potential stakeholders.

It is replicable because it is based on the GoV policy framework and not on introducing an external model based on best practice but not implementable. The model is practical because it is based on the present capacity of provincial, district and commune officials. It is sustainable because it is flexible and can adapt to change.

Institutional arrangements in Quang Nam for developing IWRM of the Vu Gia basin are off to a good start. Provincial leaders have shown a high level of commitment to establishing and developing the model. One indication of this was the issuance of the provincial decision and regulation. However, there is no roadmap for the Committee to follow in Vietnam. As outlined above, other models have not been successful in the long-term. To develop this roadmap, a second stage is required to build on the successes of stage one and develop actions such as coordination mechanism, reporting and M&E systems and processes for strategic planning, implementation and supervision. Once these systems are established, the Committee will develop mechanisms for effective and efficient water sharing, pollution control and disaster mitigation. Importantly, these reforms must be supported by provincial decisions and regulations to be affective. The consultants would support DoNRE and other agencies prepare drafts of decisions and regulations for submission to the PPC.

Stage two priorities include:

- Process to carry out initial collection of baseline data
- Clear roles and responsibilities for the coordination of Committee activities – the PPC delegated DoNRE as the coordinating agency but what is needed is how and for what purpose it relates to other departments and agencies for Committee activities; a provincial decision would be required. The coordination between province, district and commune levels and the community is a priority.
- Clear systems for reporting, M&E and supervision; these systems need to be simple in structure and procedure; a provincial decision is required that outlines an information sharing mechanism.
- A strategic planning process is needed that ensures that an IWRM Basin Plan is developed that is effective and utilizes local capacity, where the priorities of the community especially the poor are included in commune, district and provincial strategic planning for the basin, and plans are regularly amended to reflect changes in prevailing conditions, emerging problems and changes in the priorities of the community.

- Capacity development is required so that the implementation of activities has the most impact. This programme should include officials from the management, planning and technical aspects. It would contain workshops, seminars and study tours.

Once these systems are operational the Committee will focus on important technical aspects related to:

- Water sharing
- Control of pollution
- Disaster Mitigation

In relation to hydropower development, the Committee could be an advisory body to EVN, MOI and the Government of Viet Nam. Mechanisms for interaction between various agencies and the Committee would be a priority. PECC3 and Phase II consultants could provide necessary technical input to the discussions.

Stage two of the Committee will focus on developing cooperation arrangements with the various ADB TA in the province including Song Bung 4 and other pipe-line hydro-power projects. This cooperation will help help to find solutions to economic and environment issues and problems as well as social issues, such as involuntary resettlement and the selection of appropriate sites.

It is proposed that stage two would start in June 2006 and finish in December 2006.

The IWRM of the Vu Gia-Thu Bon basin is a key pilot area outlined in the National Water Resources Strategy. Support in the development of the roadmap for the basin would make a valuable contribution to national guidelines for implementing government policy.

**PEOPLE'S COMMITTEE OF
QUANG NAM PROVINCE**
No: 458/QĐ-UBND

SOCIALIST REPUBLIC OF VIET NAM
Independence- Liberty - Happiness

Tam Ky, February 14, 2006

DECISION

About establishing Committee for the management and control of integrated water resources of Vu Gia Basin, Quang Nam province.

PEOPLE'S COMMITTEE OF QUANG NAM PROVINCE

- Pursuant to Law on the Organization of the People's Council and People's Committee, date 26 October 2003.
- Pursuant to the practical needs of the local;
- Referring to statement No 11/TTr-TNMT, date 7 February, 2006 of Director of Department of Resources and Environment Quang Nam province

DECISION

Article 1: Establishing the Committee for the management and control of integrated water resources of Vu Gia Basin, Quang Nam province.including Mr/Ms as follows:

Head of the Committee:

Mr. Le Minh Anh- Vice Chairman of Province people's Committee.

Permanent Deputy of the Committee:

Mr. Duong Chi Cong – Director of Department of Natural Resources and Environment

Members:

Mr Vo Van Nam- Director of Department of Aquiculture

Mr Nguyen Van Tien- Vice Director of Agriculture and Rural Development

Mr Phan Thanh Cong- Vice Director of Department of Plan and Investment

Mr Ngo Bon- Vice Director of Department of Finance

Mr Trinh Van Truyen- Vice Director of Department of Health

Mr Pham Ngoc Sinh- Vice Director of Department of Science and Technology.
Mr Tran Phi Hung- Vice Director of Department of Industry
Mr Vo Duy Thong- Vice Director of Labour Invalid and Social Affair
Mr Than Duc Suu- Vice Chairman of Dien Ban district people's Committee.
Mr Nguyen Cong Dung- Vice Chairman of Duy Xuyen district people's Committee
Mr Phan Duc Tinh- Vice Chairman of Dai Loc district people's Committee
Mr Tran Thanh Hai - Vice Chairman of Nam Gian district people's Committee
Mr Pham The Quyen - Vice Chairman of Phuoc Son district people's Committee
Mr Do Tai - Vice Chairman of Dong Giang district people's Committee
Ms Le Thi Thu Bon- Vice Chairman of Tay Giang district people's Committee

Members of the Committee actively conduct task according to assignments from the Director of the Committee.

Regulation of official stamp usage in transactions, instructions, operations are as follows:

- Use the stamp of Quang Nam Province People's Committee when the Director of the Committee signs the procedure or decision
- Use the stamp of Department of Resources and Environment when the permanent Vice – Director is proxied for a signature.

The Committee Office is located at Department of Natural Resources and Environment, Quang Nam Province.

Article 2

The Committee for the management and control of integrated water resources of Vu Gia Basin has the task to help Province People's Committee co-ordinate with Asia Development Bank (ADB) and related departments to effectively conduct and implement integrated projects on water resources in the Vu Gia River Basin.

Article 3

Office of the Province People's Committee, Directors of departments, branches, commission, Chairman of districts People's Committee and Mr, Ms above in Article 1 are to execute this decision.

This Decision became effective from signature date.

Agency receiving:

- As Article 3
- Province Permanent People's Council and People's Committee.
- Office manager
- To keep writing station, NC, KTN (H)

**ON BEHALF OF PEOPLE'S COMMITTEE
CHAIRMAN**

Nguyen Xuan Phuc

**PEOPLE'S COMMITTEE OF
QUANG NAM PROVINCE**

SOCIALIST REPUBLIC OF VIET NAM
Independence- Liberty - Happiness

Tam Ky.....2006

REGULATION EXECUTION

*Establishing the Committee for the management and control of integrated water resources of Vu Gia Basin, Quang Nam province.
(Promulgation attachment Decision No 458/QĐ-UBND, February 14, 2006 from People's Committee of Quang Nam province)*

CHAPTER 1

**Function, duties, powers of the Committee for the management and control of integrated water resources of Vu Gia Basin, Quang Nam province.
Quang Nam province (the Committee, for short)**

Article 1: Function

- Managing and making plans based on the scale, demands and resources in the Vu Gia River Basin.
- Coordinating management activities on the utilisation and protection of water sources.
- Support to deal with related water source conflicts.
- Coordinating with management offices which have activities relate to Vu Gia River Basin in order to advise Province People's Committee to manage, implement integrated projects on water sources of Vu Gia River Basin with high effect.

Article 2: Duties

1. To coordinate with Asia Development Bank (ADB) and related agencies set up programmes and strategic plan for the Committee to submit to the Province People's Committee for considering and monitoring.
2. To carry out the coordination and cooperation among responsible agencies in managing water resources in the Vu Gia Basin (according to point b, item 1, Article 64 in Law on Water Resources)
3. Organizing forums to discuss solutions to deal with water disputes in the Vu Gia Basin (according to point c, item 1, Article 64 in Law on Water Resources).
4. Supervising and reporting to Province People's Committee and related Ministries on water resources situation in the Vu Gia Basin.
5. Supervising and reporting to Province People's Committee and related Ministries on the implementation and management plans, exploitation, and water resources utilisation in the Vu Gia Basin.
6. To provide information, education and programs of awareness on the improvement of water resources management in the Vu Gia Basin.
7. To coordinate information and share contact addresses of partners in the water resources management in the river basin.
8. To provide cooperation between donors and local projects.
9. Consider concepts proposed in the National Strategy for Water Resources which can be implemented at basin level.
10. A priority is given to evaluating the main challenges, and develop the capacity for water resources management for the next 10 to 20 years.
11. Consider and outline the necessary data to support for processes of strategy planning (data about ecosystem and land use etc)
12. Identify potential finance sources (bilateral donors, non-government organizations...) to support the collection of data on water ecosystem, especially for aspects that are very important in the livelihoods of the community.
13. Monitor the project selection process to make sure economic effectiveness in designing water resource infrastructure – especially focus on institutional issues to make ensure general benefits and minor benefits of hydro-electric project flow to all people in the basin.
14. Consider how to deal with the water quality issues related to gold mining in the rivers (this is a sensitive issue but it will help to introduce activities that minimise pollution, it relates to the evaluation program, and checks on the permission paper.)
15. Consider how people using water can participate when making decisions to manage the water resources, especially the poor? Focus on how conflicts and arguments can be dealt?
16. Consider issues that the Committee will discuss and agree with Da Nang province so that each side is a beneficiary
17. Consider experiences in other river basins, and develop options for the coordination, strategic planning and develop water resources in the river basin.

18. Consider the development of capacity in the long-term, mid-term and short-term for management and coordination of water resource in the river basin (what kind of technical support will be needed)
19. Each member has a responsibility for implementing tasks as allocated by the Committee. These tasks relate to the management, exploitation and utilization of water resources in the Vu Gia basin (specific areas to be decided by the head of the Committee)
20. Introduce to related officials and community representatives the principles of integrated water resources management, and adjust water resources management and control considering of social and environment issues.
21. Summarise and prepare project regulation for using water resource in order to ensure benefits to all sectors and ensure safety for villagers at the mouth of the basin. Advice provincial People Committee to direct the implementation of activities that respond to these issues.
22. Evaluate issues on integrated water resource management and poverty related measures, manage water shed forest including the use of water, soil, forest, social issues and ecology needs which relate to Vu Gia Basin area.

Article 3. Power:

1. To co-operate with ADB to organize seminar, workshop , training to strengthen awareness the important of IWRM and orienting the strategy in managing, using water source and linking to livelihood, society and environment.
2. Members of the Committee will implement specific tasks assigned by the head of the Committee. Members will participate and provide suggestions to advice the PPC.
3. Immediately report to provincial People Committee of Quang Nam when discovered that there is any decision or implementation activity related to the Vu Gia Basin which damages to water resources, soil, forest, ecology environment or the livelihood of people.

Chapter II

Organizing, principles and working mechanism of the Committee:

Article 4. Organizing:

1. The Committee includes the head of Committee , deputy head of the Committee, members which implement activities. Office of the Committee is located at DoNRE of Quang Nam, using the official stamp according to regulation Decision No. 458/QD-UBND, date 14/02/2006, Provincial People Committee.
2. The Committee for the management and control of integrated water resources of Vu Gia Basin was established according to Decision of Quang Nam PPC. In which, The vice-chair of PPC is the head of the Committee; Director of DoNRE is responsible as deputy; members include vice directors of departments and chairman, vice chairman of related districts, towns.
3. Departments and agencies in the province and nearby provinces which are directly or indirectly affected from Vu Gia Basin River should cooperate; support the Committee as informal members.

Article 5. Principles

1. The Committee implement base on plan, program under instruction and supporting of Provincial People Committee.
2. Members of The Committee follow and immediately reflect if any activity damage or bad affect to the development of economic, socially, environment in related areas.

Article 6. Working mechanism

1. The Committee will cooperate with ADB to implement specific activities under the instruction of the head of the Committee or Deputy who is authorized by gthe head of the Committee.
2. If there is any problem or issue during the implementation of activities, then it should be reported to the head of the Committee or related offices. Avoid causing any difficulty, obstruction to activities of other departments, sectors.

Chapter III

Implementing regulation

Article 7. The Committee and its members should seriously implement this regulation.

Article 8. If there is any unreasonable article in this regulation please feedback so that corrections or supplement this regulation

This regulation become effective from promulgate date of regulation

On behalf of The Committee
Head of The Committee