VIE: Making Markets Work Better for the Poor Phase 2

Improving Rural Road Maintenance
QUICK POLICY BRIEF:
IMPROVING RURAL ROAD MAINTENANCE

1. Introduction

Research undertaken in Viet Nam revealed that poor households living in rural communes with paved roads had a 67% higher probability of escaping poverty than those in communes without paved roads. Empirical evidence also shows that one dollar spent on maintaining existing roads can bring in benefits four times as high as those by one dollar building a new road. The benefits of expanding the rural road network in developing countries like Viet Nam and maintaining it at the same time for effective and sustainable use are wide recognized and supported. Yet, efforts have so far been mainly focused on building new road with little attention to maintenance, especially at the level of the commune and lower. There is a serious lack of institutional settings and financial support for rural road maintenance at these levels. In the latest ‘Rural Road Development Strategy to the year of 2020 and vision to 2030’ adopted by Ministry of Transport on July 2011, a target of ensuring good maintenance for 45 percent of commune road by the year of 2020 is set but nothing specific about how to achieve this target has been clearly specified.

Policy action research in rural road maintenance has been initiated under the M4P2 project and three teams have been selected to undertake research which tries to address some of the previously outlined issues in rural road maintenance. The research will design and pilot a community-based rural road maintenance model which benefits the rural communities, particularly the poorer segments of this community. Advocacy for mainstreaming this model into the National Target Program on New Rural Development (NTP-NRD), with its substantial financing to improve rural conditions, recently initiated by the Government is considered as the main way to disseminate community-based rural road maintenance and foster its endorsement by government policy makers at different levels. Lessons learned from this pilot on organizing communities, empowering them with new skills of working with the governments, planning, mobilizing funds for and implementing rural road maintenance are expected to provide solid support for policy advocacy at both central and local levels, aiming on adaption of this model into the mainstream policy.

2. The Context

While the importance of the rural road network to the country’s development and for poverty reduction is well recognized in Viet Nam, the challenge before the country is both expansion of the network to connect all unconnected villages ensuring its accessibility and to upgrade and maintain the existing rural road network at the same time.

In the last decade, significant efforts have been made to expand the rural road network across the country. Rural road (in its extended definition) in 2010 stretches over nearly 273 thousand kilometers and accounts for 82 percent of all national road network (ITDS, 2011). In the five years, from 2005 to 2010, the rural road network expanded by 14.6%. Village and inter-village road which is not counted in the official inland transport classification accounts for almost one-quarter of the national road network and enjoyed the highest growth rate (25.9%) in the same period (Table 1). The country now has the greatest density of rural roads as a percentage of the total national road network in Asia (World Bank, 2010)

Table 1: Rural Road Network: 2005-2010

<table>
<thead>
<tr>
<th></th>
<th>2005 Total length (km)</th>
<th>2010 Total length (km)</th>
<th>Share in total national network (%)</th>
<th>Growth rate 2005-2010 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All rural road</td>
<td>208,050</td>
<td>272,081</td>
<td>82.1</td>
<td>24.6</td>
</tr>
<tr>
<td>District road</td>
<td>46,399</td>
<td>77,562</td>
<td>14.3</td>
<td>34</td>
</tr>
<tr>
<td>Commune road</td>
<td>150,654</td>
<td>198,278</td>
<td>44.6</td>
<td>24.6</td>
</tr>
<tr>
<td>Village road</td>
<td>61,187</td>
<td>77,202</td>
<td>23.3</td>
<td>25.9</td>
</tr>
</tbody>
</table>


With this rapid expansion of the rural road network, transport accessibility for rural areas has been significantly improved in the last decade. The rate of all-season road connectivity (measured by percentage of communes which have all-season road...
connection to commune’s centre) is 97% (Table 1). In terms of financial contribution to the rural road expansion, it is estimated that in the 2005-2008 period more than 1 billion USD (18.5 trillion VND) was spent on rural road construction, updating and maintenance in totality. Of which, 57 percent comes from the government budget, 21 percent from household contribution and the other 18 percent from other contributions (companies, charity groups, etc). The share of household contribution would be much higher if village and inter-village were taken into account.

Despite the impressive record on rural road expansion, much has still to be done in the area of rural road maintenance. More than 90 percent of rural road spending during this period went to road construction, while little was spent on maintenance and there is little breakthrough in trends favouring maintenance during this period. Most of the maintenance works were small and focused on emergency repairs. No province had a maintenance plan (ITDS, 2011). Lack of financial resources has always been quoted as a major constraint for the poor status of rural road maintenance. There are however many other factors that are equally or even more important in explaining the current status of rural road maintenance. Local governments continue spend less resource on maintenance. It is reported that no district could spend more than 10 percent of available resources for maintenance on regular maintenance works (ITDS, 2011). Bias of new construction and upgrading over maintenance continues to exist.

The lack of clear institutional arrangement with a clear mandate of responsibilities on rural road maintenance and financial resources will remain a major challenge for years to come.

3. The Approach Adopted by the Studies

The goal of the studies was to design, pilot and advocate a community-based rural road maintenance model which effectively contributes in increasing the participation of the poor in public private partnership in rural infrastructure services.

The community-based rural road maintenance pilot put together in one process research and advocacy for policy change, developed a series of policy initiative that was supported through bottom-up verification and feedback. Participation and interaction of all partners having vested interest in rural road maintenance ensures that community-based model to be piloted is realistic and workable. Involvement of the relevant government programs and donors from the beginning of the research and efforts in building ownership of the NTP-NRD will ensure that the results of rural road maintenance pilot will be continued and applied.

4. The Pilot Activities

Pilots have been conducted in three provinces Ben Tre, Hoa Binh and Quang Ninh. Selection of these three provinces is based on the specific features of each province in terms of policy environment, experiences in community building and active champions of change. Ben Tre is well-known as a poor province but was successful in mobilizing communities for building rural roads in the past with very active involvement of Road and Bridges Associations. Strong commitment of local government combined with enthusiasm of local residents in participating in the pilot are key success factors for this experiment. Hoa Binh is chosen because of its successful introduction of community-based development while Quang Ninh shows a promising testing ground for policy advocacy especially for the NRDP.
Pilots have received very strong support in all three provinces from both local governments and residents. New styles of self-managed communities have been established in all pilot sites with active, democratic participation from all stakeholders. The training courses although very short are carefully designed and tested by community development experts to provide encouraging results in terms of helping local residents gaining a better understanding of how to organize their core groups for rural road maintenance, skills for working with local governments and other stakeholders, planning and financial management. Some of these core groups are currently active and operational.

There has been proactive involvement and strong commitment from local government to support this process. In Hoa Binh, the pilot commune People’s Committee recognized community groups by approving their annual RRM plan and Village Fund for road maintenance. Many districts and communes in Ben Tre have proposed to People’s Council a draft Resolution which legally recognize the role of the core groups within the current institutional arrangements and providing budgets for maintenance directly to the communes. At the workshop organised in Quang Ninh in June 2012, the leadership of NRDP gave signs that the Guidelines on Community-based RRM to be drafted by M4P2 will be favourably incorporated by NRDP.

5. Lessons Learnt

The pilots in three provinces have proven that community-based RRM models have met the very real demand of rural population for maintain roads that are important to them. Furthermore, they can fit into the current rural road administration at commune level. The model’s major advantages are that it provides a more participatory organisational modality for rural road maintenance, requiring only a very low level of state budget support. It does so via combining the state and local beneficiaries’ resources, promoting community self-management initiatives, therefore ensuring local community ownership.

Scaling up community-based RRM model requires capacity building of both village communities and commune authorities. Simply focusing on communities will not yield the benefit envisaged.

Scaling up the community-based RRM model is feasible in all rural areas where communities are ready to contribute labour to road maintenance. Application of this model will be difficult in the areas where industrial development makes unskilled labour expensive and/or where communities are unwilling to make the necessary contribution.

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