



Viet Nam: Capacity Building for Project Management Unit Professionalization

Project Name	Capacity Building for Project Management Unit Professionalization
Project Number	48279-001
Country	Viet Nam
Project Status	Active
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	TA 8902-VIE: Capacity Building for Project Management Unit Professionalization Japan Fund for Poverty Reduction US\$ 1.50 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships
Sector / Subsector	Public sector management - Public administration
Gender Equity and Mainstreaming	Effective gender mainstreaming
Description	The proposed TA is consistent with the CPS 2012-2015. It supports the Government's ODA management reform and action plan for improving performance of ODA-financed programs/projects which will contribute to enhancing economic efficiency, the first pillar of CPS. The proposed TA will serve as one of the direct measures to accomplish the CPS priority to improve project design and implementation. It supports ADB's collaboration with the government and the 6 Banks group (ADB, World Bank, JICA, KfW, AFD and KEXIM Bank) in helping professionalize the PMUs.

Project Rationale and Linkage to Country/Regional Strategy

Development projects in Viet Nam are implemented through project management units (PMUs). The main challenge to improve effectiveness in these projects is the weak capacity of EA/PMU staff, particularly at the provincial levels. A study conducted in 2012 estimates that there are currently well over thousand province and city level project management units (PPMUs) in the local government system in Viet Nam. Many PPMUs face difficulties in recruiting and retaining sufficient well-qualified and competent mid-level managers and technical specialists in the 'core functions' of project management (procurement, contract management, social and environmental safeguards, project financial management and M&E). Moreover, capacity built in PMUs normally dissipates when the project ends due to lack of institutional responsibility within PMUs and PPMUs to handle such 'core functions'. Approaches and standards across development projects, especially those covering wide geographical areas and multiple provinces, tend to be fragmented, inefficient and uneven. These weaknesses and challenges often affect project readiness, and result in delays in project processing and approval. These increase the risk of mis-procurement, and non-compliance with safeguards and financial management requirements of donors, which in turn impact on project implementation and effectiveness. Likewise, inadequate analysis of gender-issues and gender mainstreaming measures result in missed opportunities for reducing gender disparities and support the empowerment of women. Stakeholder participation strengthens project design, relevance and sustainability. During project preparation, project-specific assessment of institutional capacity, policy environment and risks related to cross-cutting issues like procurement, contract management, financial management, safeguards, civil society participation, and gender is usually insufficient and limited to the EA/central project level. Provincial units that play a crucial role in project implementation, including safeguards, procurement and monitoring are usually not sufficiently covered in the analysis. Furthermore, the assessment does not build on previous assessments due to lack of mechanism to institutionalize knowledge gained from completed and on-going projects. The weak capacity of PMUs, particularly in disadvantaged or lagging behind provinces, is of a serious concern to ODA management, and also to public investment planning and implementation in general, and hence requires urgent remedial measures. Key to addressing these challenges is to augment their basic project management skills by available resources in the immediate-term, and to strengthen and maintain their in-house capacity in the long-run through professionalization of the PMUs, which includes improving regulatory/institutional environment, standardizing/harmonizing procedures, and staff capacity development. On 23 April 2013, the Prime Minister issued Decree 38/2013/ND-CP on the Management and Utilization of ODA and Concessional Loans, and on 25 July 2014, approved the 2014-2015 action plan to improve the performance of Official Development Assistance (ODA) programs and projects. The TA will complement the implementation of this action plan.

Impact Improved effectiveness in preparing and implementing ODA-financed projects in Viet Nam

Project Outcome

Description of Outcome Improved professionalization of provincial level PMUs in target sectors and provinces

Progress Toward Outcome The second PPMU survey covering 22 PPMUs of four provinces in the central region including provinces of Nghe An, Ha Tinh, Quang Binh and Quang Tri was conducted from July 2016 to September 2016 to identify the institutional set up and the experiences in managing the ODA projects of PPMUs. It also aimed to identify the training needs of PPMUs so that the ADB training program can be further enhanced to meet the needs.

Implementation Progress

Description of Project Outputs

1. Project design and readiness of ODA-funded projects in the target provinces enhanced
2. Province-level PMU institutional arrangement and procedures in core project management functions (i.e. procurement, contract management, financial management, safeguards, stakeholder engagement, gender) improved
3. Provincial level PMU staff skills on core project management functions developed and sustained
4. Knowledge on province-level PMU professionalization assessments and experience shared.

Status of Implementation Progress (Outputs, Activities, and Issues) 12 consultants have been mobilized to assist PMUs and PPMUs during their project implementation. These consultants have provided active and timely supports to PMUs and PPMUs in areas including: procurement, social and safeguards issues, disbursement and project implementation and management.

Geographical Location

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design	The Six Banks group is the primary mechanism for coordination and policy dialogue in Vietnam. ADB and JICA are working closely together at the country level to improve performance of jointly-financed projects. This includes the biennial joint policy and capacity building activity managed by the Six Banks Group (of which ADB and JICA are members) and joint sector portfolio reviews . The proposed TA is conceptualized based on the ongoing collaboration among the 6 Banks. Likewise, its implementation will be closely coordinated with a joint working group composed of representatives from the 6 Banks. In drafting this TA, consultations were made with the JICA office in Hanoi and the Japanese Embassy for inputs. Meetings were also held with MPI representatives on the TA design.
During Project Implementation	MPI is the Executing Agency (EA) who coordinates with the participating provinces. They will also nominate the trainers to be trained under the CDTA based on an agreed selection criteria. The CDTA has a multi-sector focus. It involves two or more ministries, several provinces, cities and other key stakeholders (including development partners through the Six Banks Group). The TA will be implemented over 20 months, from August 2015 to May 2017. Technical supervision will be provided by VRM staff with expertise on procurement, safeguards, social development and gender to specific TA consultants to ensure quality of TA outputs and alignment with ADB policies. The TA activities and outputs will be monitored and evaluated during the mid-term and final review missions. TA implementation progress will be reviewed on a quarterly basis through meetings with key partners and DPs (particularly from the 6 Banks Group). Results from the semi-annual surveys and focused-discussions with the target provincial level PMUs by the consulting team will also be used to obtain feedback on the TA progress. TA outputs will be fed into the 6 Banks Group for necessary joint action. Good practices and lessons will be disseminated through a stakeholders-forum to be organized following the mid-term and final review missions. Brochures will be developed and disseminated to present key lessons and case studies. Case studies and lessons will also be uploaded in the website for general public disclosure. Outreach and orientation sessions will be organized with other provinces for possible replication of the experience from the pilot provinces.

Business Opportunities

Consulting Services	It will engage approximately 244 person-months of consulting services (15.5 person-months of international consultants and 228.5 person-months of national consultants). The international consultants will comprise a capacity development specialist, an infrastructure and contracts specialist, and ad hoc international consultants. The national consultants will comprise a coordinator and institutional capacity development specialist, environment and climate change specialists, social safeguards specialists, social development and gender specialists, infrastructure and contracts specialists, a financial management specialist, a stakeholder consultation specialist, a PMU professionalization outreach and liaison specialist, and ad hoc consultants. The ad hoc national consultants will be engaged as resource persons on specific topics and review training modules and tool kits prepared under the TA.
Procurement	Procurement, if any, shall follow ADB's Procurement Guidelines (2013 as amended from time to time). Shopping method will be applied to get at least three quotations for workshops/seminars/training events.

Responsible Staff

Responsible ADB Officer	Do, Hoang Nhat
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Viet Nam Resident Mission
Executing Agencies	<i>Ministry of Planning and Investment 6 B Hoang Dieu street, Ba Dinh district, Hanoi, Viet Nam</i>

Timetable

Concept Clearance	07 Nov 2014
Fact Finding	05 Jan 2015 to 22 Jan 2015
MRM	-
Approval	22 May 2015
Last Review Mission	-
Last PDS Update	28 Mar 2017

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual

22 May 2015

25 Aug 2015

25 Aug 2015

31 May 2017

31 May 2018

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Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
0.00	1,500,000.00	100,000.00	0.00	0.00	0.00	1,600,000.00	22 May 2015	674,874.31

Project Page <https://www.adb.org/projects/48279-001/main>

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Date Generated 06 July 2017

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