

FLARE – August 2017

Mobilizing Resources for WASH in Vietnam and Cambodia



THRIVE
NETWORKS

**Australian
Aid** 


east meets west
A PROGRAM OF THRIVE NETWORKS

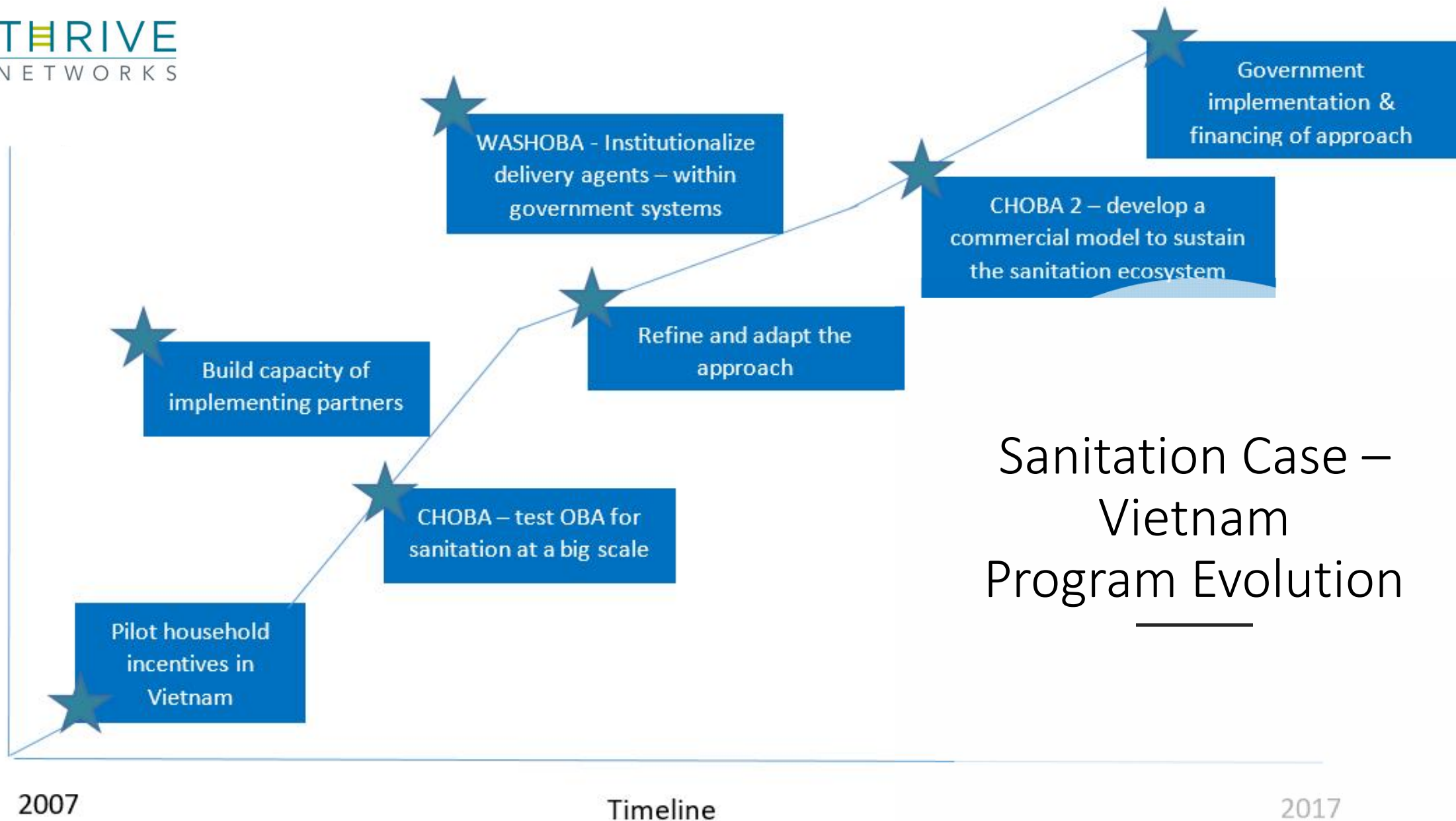
Mobilizing Resources
through *Phasing-In*
Government Budget
Support and *Phasing-
Out* Donor Support

EMW's objective:

Secure government budget to scale-up output-based programs in water supply and sanitation

EMW's vision:

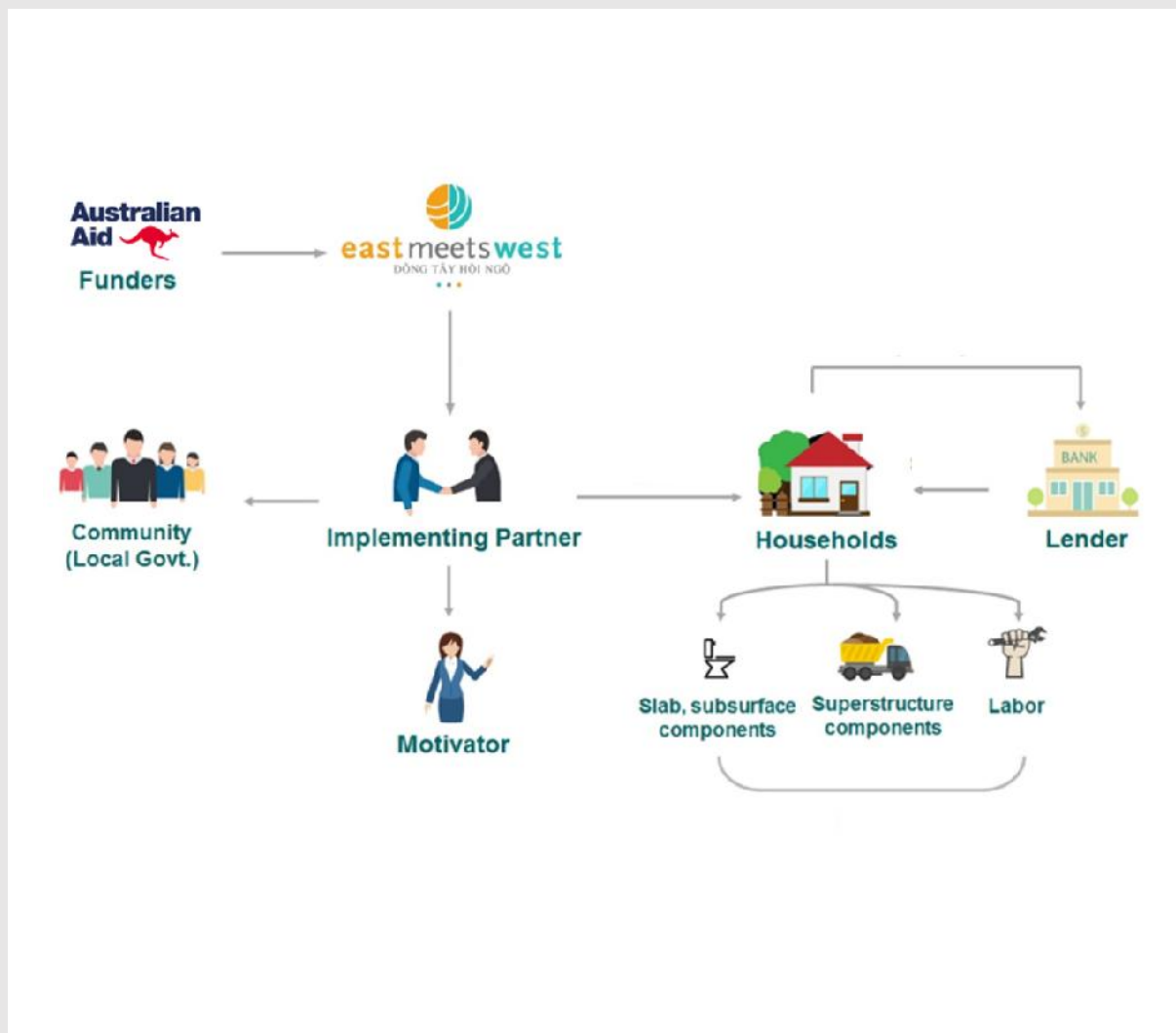
- *Disappear from Vietnam in 3-5 years*
- *Cambodia exit – too early to know*



Sanitation Case – Vietnam Program Evolution

CS WASH Fund 2: Program Objective

Build up an effective and sustainable sanitation 'ecosystem' within the Vietnamese government. Explore and refine the roles of GoV health workers and Women's Union within the ecosystem to prepare for government adoption.



Approach to Advocacy

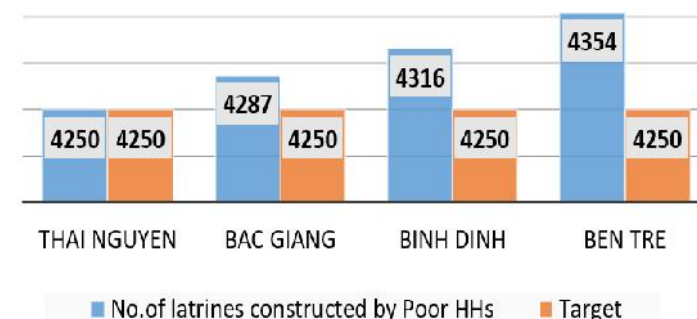
Blend of evidence, demonstrated results, and government advocacy to bring about actions at the policy level

Provincial/District/Commune Level:

Multiple level feedback loops. Six monthly conference of representatives. Latrine targets and achievements compared at provincial and commune level. Evidence taken very seriously → innovations to improve performance.

National Level Evidence (example)

Uptake rate under WASHOBA is four times faster than National Target Program results - after 30 months implementing WASHOBA: 16,000 built while 4,000 built under in NTP in four provinces



Ben Tre partners review program results in a quarterly conference

Approach to Advocacy (2)

Identifying ‘champion’ provinces and profiling these provinces in national forums in order to:

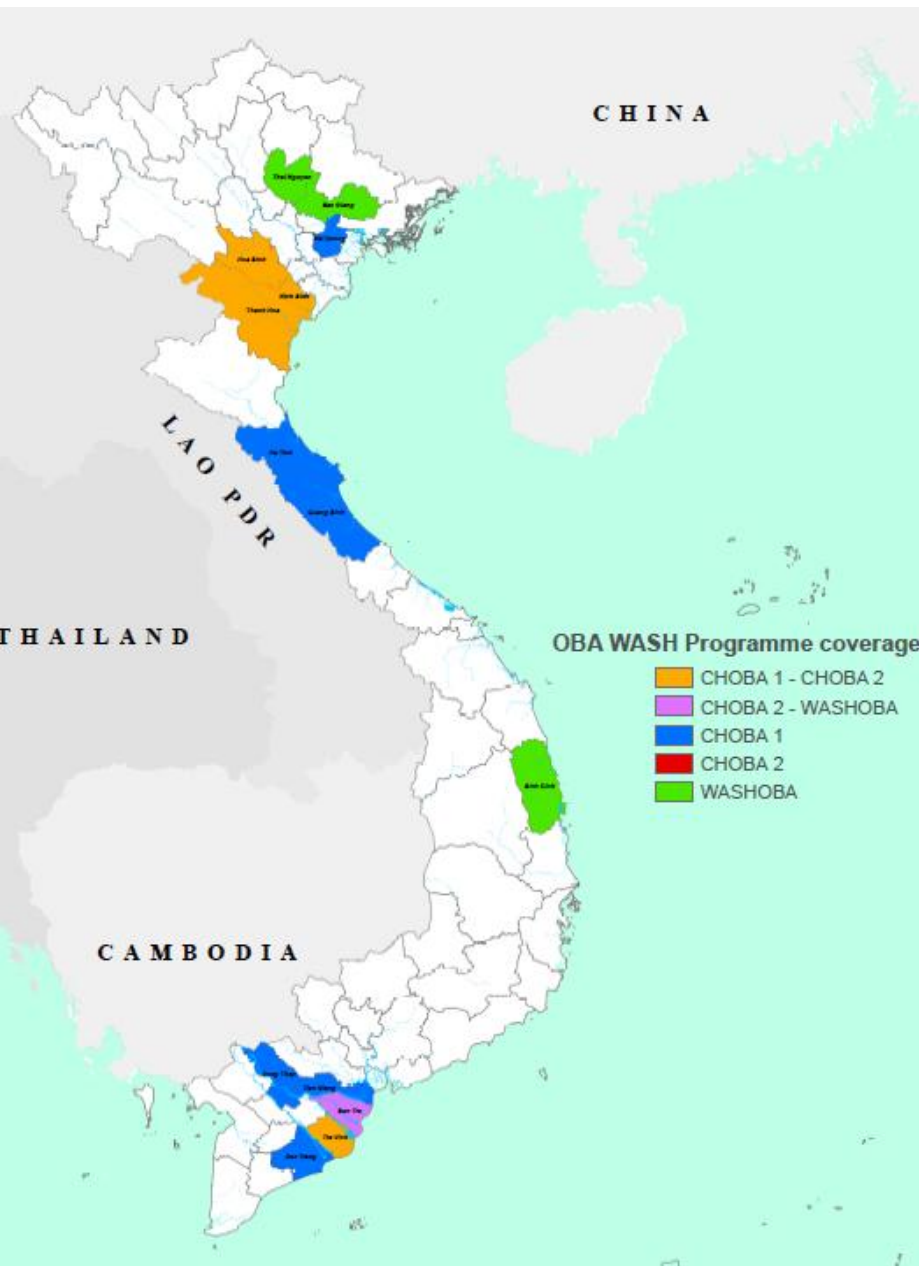
- a) celebrate their achievements and promote further buy-in, promote a sense of competition
- b) educate other provinces about OBA and encourage them to get on board



Mr. Tran Dinh Son

Vice Chairman of Provincial People's Committee
Ha Tinh Province

“We decided to contribute the same amount as the OBA household rebate package. We carried out this work with the support of the whole system, the Office of New Rural Development, finance sector and the provincial Vietnam Women’s Union”



Government Support - Vietnam

- Ben Tre Province: the Vice-chairman of the Provincial People's Committee issued a decision to support 500,000 VND (AUD 27) for each poor household that built a latrine
- Thai Nguyen Province: 200 KG of cement allocated for each poor household building a latrine
- Ha Tinh Province: PPC matched the OBA rebate of 560,000 VND (AUD 29) for each household that built a latrine
- Central Government: Commitment from the Vietnam Health Environment Management Agency of the Ministry of Health to adopt the output-based approach for sanitation under the new National Rural Development Program (2015-2020)
- Provisional commitments from 3 Provincial People's Committees to phase in provincial budget for output-based sanitation

Sanitation Case Study: Cambodia

Under CS WASH Fund 2 - testing this approach in 30 communes of Prey Veng province

Meet with the Department of Finance at provincial level. They agree to allocate budget to the commune fund for sanitation.

Organize meetings in all communes. District governor informs all communes about this opportunity and encourages participation.

Many communes agreed to participate and to increase the budget commitment over time.

Currently - every latrine built and is used by an ID Poor 1 or 2 household:

- USD 5 of the rebate from the Commune Council
- USD 13 of the rebate from Australian Aid

By working closely with government partners, it is expected that in the next three years, the Commune Council will be able to cover the total USD 18 rebate.

Government Support - Cambodia

Total Latrines constructed: **1,578**

Total Government of Cambodia
budget contribution: **USD 7,890**

Total communes implementing
PIPO now: **31**

Total provinces testing PIPO: **5**



OBA - Rural Water Supply Case Study - Vietnam

EMW Village Systems in Central Vietnam

- Input-based construction
- Commune People's Committees own and operate

1

GPOBA Program in Central Region

- Output-based payment on HHs connected - 80% at completion, 20% after 6 months
- Commune People's Committees own and operate

2

GPOBA and Australian Aid CSO WASH Fund 1 in Mekong Delta

- Output-based payment on HHs connected - 80% at completion, 20% after 6 months
- Private entrepreneurs as owners and operators

3

Australian Aid CSO WASH Fund 2 in Vietnam

- Public schemes: High investment cost – reasonable quality of service and sustainability
- Improve technical and financial sustainability and service quality of existing village water systems in four provinces
 - a) improve operational functionality through payment on household connections;
 - b) improve cost efficiency as the amount would be agreed in advance; and
 - c) transfer the performance and the financial risk to the service providers.
- Embed program in government framework with partners: four provincial Centers for Rural Water Supply and Environmental Sanitation

4

Private Sector Innovation – DFAT's Innovation Exchange

- New piped water connections serving 7,000 households by five private operators (subsidized on an output-basis);
- A method for calculating full cost recovery tariffs and smart subsidy levels introduced in three provinces;
- A water tariff reform 'roadmap' agreed with three provinces

5



NCERWASS



Australian Embassy
Hanoi



Policy Outcomes

- May 2017 → national RWS conference
- Examples of DFAT's support in the sector were used as evidence for policy change
- → MARD requested funding from the New Rural Development Program to support private sector investment for rural water in remote areas.
- → Two weeks ago, the Prime Minister of Vietnam decided to support this request. The total earmarked funding is up to 1.2 trillion VND over 3-4 years.

This is an example of how AUD 3 million has successfully leveraged around AUD 66.5 million by the government. The Government of Vietnam also wishes to disburse this funding using the output-based mechanism piloted under by EMW.



Tran Thang Quang from Nhan My commune, Ha Nam province discussing his new water connection with HE Mr Craig Chittick