The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI) 2012

Measuring citizens' experiences

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Measuring citizens' experiences

Centre for Community Support and Development Studies (CECODES)

Centre for Research and Training of the Vietnam Fatherland Front (VFF-CRT)

United Nations Development Programme (UNDP)

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FOREWORD

The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI) is an annual policy monitoring tool that measures the performance and quality of provincial governance and public administration. PAPI is a pioneering initiative that provides objective, evidence-based measures of provincial performance in terms of policy implementation and service delivery in areas where citizens are supposed to "know, discuss, participate and verify." PAPI informs policy makers and implementers at both the central and provincial levels of citizens' experiences with governance. Such knowledge is vital as Viet Nam develops into a middle-income country.

The philosophy behind PAPI's innovative policy monitoring approach is that citizens are seens as "end-users of public administrative services" capable of assessing governance and public administration in their localities. The end result is Viet Nam's first publically available dataset providing an objective evaluation of governance from the perspective of citizens. Based on this citizen input, PAPI provides a set of objective indicators that help assess the performance in governance and public administration, while at the same time providing an incentive for provinces to improve their performance over the long term.

Governance is a multifaceted concept. Therefore, PAPI measures performance in six dimensions: (i) participation at local levels, (ii) transparency, (iii) vertical accountability, (iv) control of corruption, (v) public administrative procedures, and (vi) public service delivery. The resulting dataset is a powerful set of factual peformance indicators that can be seen as a combination of six different pieces in a larger puzzle of governance and public administration performance.

The 2012 PAPI survey is the result of several years of fine-tuning. The first PAPI survey was piloted in three provinces in 2009 and then expanded to 30 provinces in 2010. Through these first two iterations, questions were adjusted to better capture citizen experiences. In 2011 PAPI was conducted for the first time in all 63 provinces in Viet Nam. The questions that form the basis of the PAPI findings were also finalized. From this point on, PAPI will not only be able to provide a useful indicator for central and local government performance, but also a metric to assess how performance has changed over time.

Given these developments, PAPI has been gaining greater recognition inside and outside Viet Nam. For instance, Deputy Prime Minister Nguyen Xuan Phuc noted:

> We can clearly recognize the important role of local governments at different levels when analyzing variances in the ranking of provinces in the Provincial Competitiveness Index and the Provincial Governance and Public Administration Performance Index. For instance, on land administration, in many provinces, denunciations and complaints about land are very hot and difficult-to-solve issues; meanwhile, in many other areas, local governments are doing well.[1]

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[1]. Speech at the annual Anti-Corruption Dialogue between the Government of Viet Nam and international development partners in Ha Noi, on 5 December 2012.

At the central level, PAPI has become the means of assessment for progress on the 2012-2016 "One Plan" signed between the Government of Viet Nam and the United Nations on 27 March 2012. The One Plan is the comprehensive framework for all United Nations cooperation programmes in Viet Nam over the next five years.

At the provincial level, PAPI is being used by local leaders to assess their performance. Leaders in several provinces have requested provincial departments and sub-provincial authorities to develop action plans on how to leverage strengths while addressing weaknesses to attain higher levels of citizens' satisfaction.

Internationally, the PAPI model has been presented at a number of international conferences, generating a considerable level of interest from other countries. For example, Thailand plans to implement a provincial governance index in 2013 largely based on the PAPI model. In addition, researchers have published a number of articles in international journals using PAPI's data.

This report presents the results from the second nationwide PAPI survey. The data is based on the experiences of 13,747 citizens, who were selected randomly in order to provide a representative sample of the different demographic groups across the country.

The scientific validity of the results and the focus of the survey on beneficiaries are ensured thanks to the close and effective coordination between national partners (including the Centre for Theory Work of the Viet Nam Fatherland Front from 2009-2010; the Front Review from 2010-2012; the Commission for People's Petitions under the National Assembly Steering Committee in 2012, the Centre for Research and Training of the Viet Nam Fatherland Front—VFF-CRT from 2013, and the Centre for Community Support and Development Studies—CECODES under the Viet Nam Union of Science and Technology Associations—VUSTA) and the United Nations Development Programme (UNDP). The quality of the study also benefits from the close coordination between the Vietnam Fatherland Front Central Committee and its local-level committees.

The initiative has also enjoyed strong, substantive support from the National Advisory Board. The board is comprised of senior national experts with a wide range of expertise and knowledge from relevant state agencies, the research community and the donor organizations.

Findings and analysis from PAPI contribute to ongoing efforts to improve performance in governance and public administration at the provincial level. As a rich source of objective data collected using state-of-the-art, scientific methods, this report serves as a useful reference and a policy diagnostic tool in Viet Nam.

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Note: The list is arranged in alphabetical order by family names.

EXECUTIVE SUMMARY

Viet Nam, as a middle-income country, is beginning to realize the potentials and benefits of modern policy monitoring tools. As societies develop and become more complex, more sophisticated tools are necessary to enable them to continue on their growth trajectories. The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI) is one of such policy tools aimed at helping Viet Nam achieve continued its development. PAPI is a pioneering initiative that provides objective, evidence-based measures of provincial performance in terms of policy implementation and service delivery in the areas where, citizens are supposed to "know, discuss, participate and verify." Since 2010 it has collected responses from more than 32,500 citizens across all 63 provinces making it the largest governance and public administration performance survey in the country.

PAPI contributes to governance and public administration reforms in two distinct ways. First, its state-of-the-art methodology provides a model for others to follow. The PAPI methodology has been made available for others to replicate and improve upon (www.papi.vn). Second, PAPI provides original data and information on the standards of governance and public administration drawn from citizens' experiences in their interactions with governmental authorities.

PAPI provides a bottom-up perspective that complements traditional state management monitoring tools, which in Viet Nam largely includes self-assessments. As such, the time-series data provided by PAPI provides an opportunity for policy makers and implementers to understand the performance of the state and public service delivery agencies. It will also provide an insight into citizen preferences, which will help policymakers more effectively tailor new policies and reforms to the needs of citizens.

PAPI: A Reference Tool for Policy Making

PAPI has provided national and provincial policy makers substantial, concrete evidence regarding governance and administrative performance. For example, the Government Inspectorate has used findings from PAPI to complement its own anti-corruption monitoring efforts.

At the provincial level, PAPI is also emerging as a critical reference tool. An increasing number of provinces are incorporating PAPI data into their overall framework for analysing their performance. Provinces such as Kon Tum, Quang Ngai and Dak Lak have been particularly active in employing PAPI indicators to improve their performance.

Monitoring Change in Provincial Governance

As a nationally representative survey PAPI provides an overview of performance across all 63 provinces. In terms of change in performance, on the positive side, four out of six dimensions experienced some level of

improvement. The dimensions with improvements in overall scores are control of corruption, transparency, public service delivery and vertical accountability.

In another positive sign, the distribution of performance has edged higher. The median scoring province signals the actual distribution of provinces and symbolizes where half of the provinces will score in either direction from this point. On every dimension, the median score increased in 2012.

At the aggregated national level, the findings reveal a great deal of consistency across time in many indicators. There are areas of progress, but also important gaps in policy implementation. Similar to the 2011 findings, citizens remain optimistic about their own economic situation and the situation of the country as a whole. However, their level of awareness and information about institutions and transparency in local decision making remains limited. The findings suggest that citizens continue to demand more accountability from local authorities, better control of corruption in the public sector, and better quality administrative and public services.

Provincial Performance

PAPI details provincial performance in six dimensions and twenty-two sub-dimensions. This disaggregation allows policy makers at the local levels to identify not only good versus poor performers, but also allows provincial leaders to identify other provinces with similar conditions that are performing well. In this way, these provinces can adopt some of the successful techniques and policies from their neighbours. The presentation of provincial variation not only provides the ability for provinces to share information, but also for top-performers to learn what is necessary to maintain their higher standards.

An encouraging and positive development in 2012 as compared with 2011 is that the best performing provinces have improved. In 2011 only three provinces scored higher than forty points on the weighted PAPI index (Ba Ria-Vung Tau, Quang Binh and Long An, respectively). In 2012, the number of provinces

surpassing this mark increased to eight, including Quang Binh, Da Nang, Quang Tri, Nam Dinh, Ba Ria Vung Tau, Binh Dinh, Thai Binh and Long An.

There are also positive developments at the bottom end of the scale. While in 2011 eleven poor performing provinces below the 25th percentile had scores below thirty-five points (Lai Chau, Binh Thuan, Quang Ngai, Ninh Binh, Hung Yen, Lam Dong, Phu Yen, Cao Bang, Tay Ninh, Tra Vinh, and Ha Giang), in 2012 only five provinces had an overall weighted score below that threshold (Dak Lak, Tra Vinh, Ca Mau, Tay Ninh, and Khanh Hoa).

Dimension Level Performance

PAPI measures overall governance and public administration performance as a total index comprised of six dimensions. This is a brief overview of developments in the performance along these dimensions in 2012.

Dimension 1: Participation at Local Levels

Overall, the dimension on participation at local levels fell slightly with a 2.66% decline in the mean score. A closer look reveals that at the sub-dimension level issues of civic knowledge, opportunities for participation and voluntary contributions dropped 4.78%, 4.69% and 3.23%, respectively.

Similar to 2011 findings, there are significant gaps between the best performing and the bottom groups. In terms of the top performers, Binh Dinh, Thai Binh, Binh Phuoc, Ha Nam and Ha Tinh were the top five. This represents significant turnover from 2011. Of these only Binh Dinh had a top position, the other four have moved up significantly. At the other end, Dak Lak, Dong Thap, Phu Yen, Bac Lieu and Ca Mau form the bottom five. This group is consistent with 2011, as all five were previously in the bottom third.

About half of the provinces experienced an overall improvement compared to 2011. On the positive side, Thai Binh and Binh Thuan each improved by at least 15%. Son La, Dak Lak, Dong Thap and Lang Son were those with the steepest declines.

Dimension 2: Transparency

This dimension improved 2.54% over 2011. Key to its improvement was the publication and dissemination

of poverty lists as well as greater transparency in land use plans and prices.

The top five performing provinces are in North Central and North Viet Nam, including Quang Binh, Quang Tri, Thai Binh, Ha Nam and Nam Dinh. Among them, Ha Nam and Nam Dinh have made a big improvement since 2011. The bottom five includes Tra Vinh, Binh Thuan, Bac Lieu, Kien Giang, and Dak Lak, mostly Southern provinces. Of these, Tra Vinh, Binh Thuan, Bac Lieu and Kien Giang were already in the bottom third last year, while Dak Lak performance has declined.

Compared to 2011, nineteen provinces improved their scores by more than 10%. The large number of improving provinces represents a positive development. In particular Tien Giang, Phu Tho, Phu Yen, Lam Dong and Ha Nam, and have improved the most. However, at the other end, one-third of provinces experienced declines. The biggest declines occurred in Son La, Khanh Hoa, Tra Vinh and Dak Lak.

Dimension 3: Vertical Accountability

On vertical accountability, results show an overall increase of 1.41% from 2011. The main driver seems to be slight improvements on the knowledge and effectiveness of local level accountability institutions. Consistency is also observed in terms of interactions with local authorities.

The top five provinces in terms of vertical accountability are Thai Binh, Quang Binh, Hai Duong, Nam Dinh and Quang Tri. Of those, Hai Duong is the only province that was not among the top in 2011. At the other end of the scale, Kien Giang, Khanh Hoa, Bac Lieu, An Giang and Tay Ninh are the bottom five. Each of them was also in the bottom third in 2011 year.

The year-to-year changes of the provinces in the dimension show that four provinces improved by 12% or more. Cao Bang, Soc Trang, Hung Yen, Hai Phong and Hau Giang are the five with the largest improvement. On the other side, two provinces worsened their performance with declines greater than 11%: Kien Giang and Khanh Hoa. Also, other seven provinces declined by more than 5%, including

Hoa Binh, Quang Tri, Long An, Ha Tinh, Bac Lieu, Dong Thap and Thanh Hoa.

Dimension 4: Control of Corruption

On control of corruption, results show an overall increase of 2.59% from 2011, including a large 5.72% improvement in the willingness to fight corruption. This improvement is notable in a year of national discussions about the amendment of the anti-corruption law, which contains a great number of provisions related to transparency. At the same time, improvements in terms of limiting corruption in both public sector (including issues of equity in employment) and service delivery were negligible.

Of all the dimensions, control of corruption has the highest variation in scores across provinces. Tien Giang, Binh Dinh, Long An and Da Nang are the top performers. Consistent with 2010 and 2011, most of the top performers are in the south and south central regions. About 45 provinces have smaller differences in scores. Among the ten poorest performers, Hai Phong, and Ninh Thuan repeated their low scores from 2011. Meanwhile, Dien Bien replaces Cao Bang at the bottom of the scale.

A year-on-year comparison of provincial scores shows interesting developments in citizens' assessment of anti-corruption efforts at the provincial level. Top performer Tien Giang improved from 2011. Bac Giang, Ninh Binh and Phu Yen improved dramatically by more than 20%. Meanwhile, Dien Bien saw the biggest and statistically significant drop by 16.9%, followed by Khanh Hoa and Bac Lieu.

Dimension 5: Public Administrative Procedures

As a whole, the aggregate performance of all provinces regarding the provision of public administrative services has not significantly changed over the past two years. Public administrative procedures experienced a very minor reduction in its overall score of 0.17%.

At the national level, there is a high concentration of all 63 provinces around the mean score, similar to 2011. The difference between the highest provincial score of

Yen Bai and the lowest provincial score of Quang Ninh is the smallest of all six dimensions. The low variance suggests the uniformity across provinces in terms of the performance in dealing with public administrative procedures in all four measured services, similar to findings in the first two rounds of PAPI surveys.

Dimension 6: Public Service Delivery

On the whole, there is some improvement in provincial performance in public service delivery in 2012. On public service delivery, there is an overall increase of 2.29% in the dimensional scores. From this increase it is important to note a significant increase of 5.83% on infrastructure.

The best performing provinces are not concentrated in a single region, with centrally- governed municipalities maintaining their top marks. In addition to the cities, other top performers include Quang Binh, Ninh Thuan, Quang Tri, Binh Dinh and Thanh Hoa. Quang Binh in particular sees a lot of improvement in terms of the quality of public health services at the district level and basic infrastructure availability. The poorest performers are scattered in northern mountainous, central highlands, south central, and southern provinces, including Tay Ninh, Dak Nong, Ca Mau, Gia Lai, Yen Bai, Binh Phuoc, Cao Bang and Son La. There is some year-on-year decline in the mean scores of this group.

In terms of progress, citizens in two-thirds of provinces have seen some improvement in public service delivery. As many as seventeen provinces made progress from 2011. The largest improvements are seen in Ha Giang, followed by Thua Thien-Hue, Nam Dinh and Binh Thuan. Notable declines are seen in the cases of Tay Ninh, Tra Vinh and Son La.

Informal Payments in Viet Nam

In addition to looking at the dimensions, this year's report also provides a special focus on informal fees. PAPI applies a cutting-edge survey technique to estimate the frequency and size of bribe requests in three areas that are critical to the lives of Vietnamese citizens: i) land access; ii) access to medical services; and iii) access to

primary education. In all three cases, there is evidence that bribe requests impact a significant portion of citizens and that the amounts paid are substantial when compared to the costs of other activities related to accessing those services. Conservatively, 17% of citizens pay bribes of about 123,000 VND per application to obtain a LURC, 10% of citizens pay 37,000 VND per patient per visit at a district public hospital, and the average cost of bribes in primary education is about 98,000 VND per student per semester. These estimates constitute the lower bound of bribery.

A more speculative statistical approach estimates an upper bound of 57% of citizens paying bribes of 818,000 VND on average for a LURC, 48% of citizens pay bribes of 146,000 VND at a district public hospital, and bribery affects about 18% of citizens, who pay 572,000 VND for better quality of primary educational services.

Even these upper bounds do not capture the true cost of corruption to society, because they do not take into consideration the impact of corruption on those who refuse or cannot afford to pay bribes. These unfortunate citizens: i) are less likely to have adequate title to their property, which affects their ability to start and grow small businesses; ii) receive inadequate health care, which influences their livelihoods and the health prospects of their children; and iii) are shut out of educational opportunities after primary education, which will affect downstream career advancement and wealth. It is these indirect effects of activities that should be more important to the country's policy-makers, as they are evidence of an unfair playing field that will have far reaching consequences for the country's economic growth and political development.

On the willingness of citizens to report corruption, two key conclusions are reached. First, a significant amount of corruption goes unreported, either because denunciation is too costly or citizens do not trust the procedures that are in place to protect them. Secondly, there is a high level of societal tolerance for small amounts of bribery, which may indicate that citizens are initiating the practice in order to circumvent burdensome procedures and under the expectation to improve their access to public services.

INTRODUCTION

What is PAPI?

As a middle income country, Viet Nam is now starting to realize the potentials and benefits of modern policy monitoring tools. The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI) is one of these novel policy tools. PAPI is a pioneering initiative that captures the experiences of Vietnamese citizens interacting with their local authorities, thus providing a wealth of information and evidence on actual central and local government performance based on Vietnam's legal framework and regulations.

PAPI is the largest governance and public administration performance survey in Viet Nam. Since 2010 it has collected information from more than 32,500 randomly selected citizens in a rigorous representative manner across all 63 provinces in the country. PAPI has become an annually conducted policy monitoring tool that supports policy-making processes both at central and local levels. Box 1 provides a snap-shot of the meaning of PAPI, its scope and scale, the key survey method and the dimensions measured.

Box 1: What is PAPI?

The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI) is a policy tool that monitors and measures the performance of governance and public administration (including public service delivery) of all 63 provinces in Viet Nam based on citizens' experiences and perceptions

Where	• In 2009: piloted in three provinces (Phu Tho, Da Nang and Dong Thap) • In 2010: expanded to 30 provinces (randomly selected by propensity score matching) • From 2011: All 63 provinces, covering 207 districts, 414 communes, 828 villages
How	Face-to-face surveys of randomly selected citizens
Who	2010: 5,568 citizens from 30 provinces 2011: 13,642 citizens from all 63 provinces 2012: 13,747 citizens from 63 provinces
What is assessed	1. Participation at Local Levels 2. Transparency 3. Vertical Accountability 4. Control of Corruption 5. Public Administrative Procedures 6. Public Service Delivery

PAPI assesses three mutually reinforcing processes: (i) policy making, (ii) policy implementation, and (iii) the monitoring of policy implementation. To do so, PAPI puts into action the Vietnamese grassroots democracy motto of "people know, people discuss, people do and people verify." By providing information about citizens' experiences and satisfaction with their performance, PAPI supports improvements in transparency; stimulates reform; enlarges the participation and involvement of non-State actors in support of government reforms; and significantly improves the quantity and quality of data available for evidence-based policy formulation.

PAPI also complements and fills in important gaps in the evidence-based measures of governance in Viet Nam currently available. The two other nationwide survey instruments are the Viet Nam Households and Living Standards Survey (VHLSS) and the Provincial Competitiveness Index (PCI), which have slightly different focuses to PAPI. The VHLSS focuses on social and economic development conditions of citizens, while the PCI focuses on governance from the perspective of business leaders. PAPI, on the other hand, focuses squarely on the issue of governance from the perspective of citizens, thus filling an important gap.

Importance of PAPI in Viet Nam's Development Context

As societies modernize and improve their overall levels of development their policies must adapt to their new contexts. The more developed and advanced societies become, the more complex and manifold their policy frameworks become. This is so due to increased knowledge and expectations among citizens and overall expansion of opportunities. At early development stages, policy monitoring tools are mostly related to collecting basic information such as population size, household's characteristics, infrastructure, citizens primary deprivations and information about access to services (including overall

health, sanitation and education).[2] As economic conditions of societies mature, responsive governments and policy makers must modify their policy gathering, information and monitoring systems to cope and adapt with these changes.

Viet Nam, which has progressed into a middle-income country, is clearly in a position to require more advanced indicators. As such, the concept that better information leads to better policies and that policies need to be evidence-based has gained relevance. As evidence of this, the Viet Nam General Statistics Office is implementing the 2011-2020 Statistical Development Strategy (SDS)[3] with an effort to capture more nuanced economic development trends.

In the area of governance and public administration performance, increasingly rigorous and objective tools have been developed. This has evolved together with the idea that citizens can directly contribute to strengthening the governance and quality of public administrative service delivery. In particular, Prime Minister's Resolution No. 30c/NQ-CP of 2011 with the Master Programme on State Administration Reform in 2011-2020 for the first time includes service delivery satisfaction targets based on citizens' feedback instruments. The pending Public Administration Reform (PAR) Index being developed by the Ministry of Home Affairs (MoHA) is another example.

These are incipient and pioneering tools, that are being implemented incrementally due to the pressures and increasing demands from a more mature population that calls for greater voice, participation and

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[2.] Examples of these monitoring tools may include vital statistics, population censuses, calculation of gross domestic product (GDP), household and living standards surveys, employment, wages/earnings and sector specific surveys.

[3.] The Socio-Economic Development Strategy for 2011-2020 identifies the need to "improve the State apparatus, generate vigorous progress in administrative reform [and] focus on building a clean and strong State administrative system ensuring unified, smooth, effective and efficient governance" and aims to reach industrialization status by 2020. See website from General Statistics Office (GSO) at www.gso.gov.vn.

accountability in policy making processes. Because the rigorous and systematic collection of citizens' perspectives and experiences has only recently been applied in Viet Nam, much needs to be learned in terms of sampling frames, fieldwork implementation and objectivity in data collection.

With these considerations in mind, PAPI contributes to governance and public administration reform in two distinct ways. First, PAPI's state-of-the-art methodology provides a model for others in the country to follow. The PAPI methodology has been made available for others to replicate and improve. Second, PAPI provides original data and information on the standards of governance and public administration drawn from citizens' experiences in their interactions with governmental authorities. This pool of data provides an opportunity for policy makers to understand performance on the provision of public services and refine policy options.

In other words, PAPI provides a bottom-up perspective that complements and supports traditional state management monitoring tools which include "self-assessment" methodologies commonly applied in Viet Nam. As such, the pool of PAPI time-series data provides an opportunity for policy makers and implementers to understand the performance of the state apparatus and public service delivery agencies, and to refine relevant policy options to meet citizens' higher expectations.

PAPI's Impact in Viet Nam

Thanks to PAPI's objectively collected data and the increased demand for evidence-based measures, PAPI is already having an impact on policy making, policy implementation, and policy monitoring processes. PAPI has provided national and provincial policy makers with substantial, concrete evidence regarding the impact of their decisions on governance and administrative performance.

At the central level, the Government Inspectorate and the former Office of the Steering Committee on Anti-

Corruption, which are in charge of the anti-corruption work in the country, have taken the findings from PAPI to complement their reporting requirements under the governmental corruption monitoring and evaluation frameworks. Some PAPI data was included in the Government Inspectorate's annual report to the Steering Committee of the National Assembly in 2012. In addition, according to Circular No. 11/2011/TT-TTCP of November 2011, the Government Inspectorate is now incorporating PAPI into its overall evaluation strategy. In terms of PAPI's methodology, MoHA has looked at PAPI's philosophy and methodology in the piloting of its PAR Index.[4]

During 2012 and 2013, the information generated through PAPI was used in several reports by international development partners. One such report was "Corruption from the Perspective of Citizens, Firms and Public Officials" by the Government Inspectorate and the World Bank, with support from UK-AID and UNDP. They used PAPI to corroborate findings from their own survey and found a high degree of correlation, particularly regarding issues of health, education and employment in the public sector (see table 5 and figure 55 in ACD Report, 2012).[5]

In another example, the World Bank's fiscal transparency review in 2013 highlights how PAPI helps to address challenges in improving how commune level budgets are presented and communicated to citizens.[6] The review notes the PAPI finding that citizens exhibit low levels of budget awareness and recommends changes and improvements to disclosure requirements. In particular, they suggest that local governments present information in a more user-friendly way.

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[4]. See Ministry of Home Affairs (2012).

[5]. See Government Inspectorate and World Bank (2012).

[6]. See World Bank (2013).

PAPI is also helping policy makers and the international development community better understand the experiences of Vietnamese people, and to draw concrete lessons on how to reduce corruption and improve citizen satisfaction with public administration. A joint donor report on land use rights – Revising the 2003 Law on Land in Vietnam: Creating Equitable Treatment for Land Use Right Holders – which was submitted to the National Assembly during their deliberation about changes to the Land Law, made extensive use of PAPI data. In addition to raising awareness about international experiences and other reports, this important brief also included concrete data collected from PAPI regarding citizens' feedback about transparency in land plans and land prices as well as satisfaction with procedures for acquiring land use rights certificates.[7]

PAPI data also serves as a key governance and public service delivery monitoring tool for implementation of the One UN Plan 2012-2016. This plan is the framework for the cooperation programmes of all United Nations agencies over the next five years to support the country to address its development priorities and achieve the Millennium Development Goals (MDGs).

Box 2: Examples of PAPI 2011 Impact on Provinces

Kon Tum: Decision No. 703/QĐ-UBND: An Action Plan to Improve Provincial Performance

The Provincial People's Committee (PPC) of the Central Highlands Province of Kon Tum issued Decision No. 703/QĐ-UBND on 03 August, 2012 to promulgate an action plan to improve provincial performance in governance and public administration in the province. The decision was made based on PAPI findings and a complementary survey undertaken in all nine districts in the province in early 2012. The provincial initiative was developed upon two rounds of discussions on PAPI findings with provincial leaders, heads of agencies, district leaders and the PAPI research team. On June 7, 2012, the Standing CPV Committee of the province endorsed the Action Plan and submitted it to the PPC.

Quang Ngai: Directive No. 19/CT-UBND on improving performance in state management and public administration

The PPC of the central province of Quang Ngai on November 29, 2012 issued Directive No. 19/CT-UBND on improving provincial governance and public administration. The directive was based upon PAPI 2011 findings which grouped Quang Ngai in the poorest performing provinces. This directive, signed by the PPC Chairman, requested chairpersons of all District PPCs in the province and relevant provincial departments to review all PAPI indicators for Quang Ngai and to take different sets of actions to improve the provincial scores in all six PAPI dimensions for the province in subsequent years.[8]

Dak Lak: Official Letter No. 2211/UBND-TH on improvement of provincial PAPI scores

Leaders from the Central Highland province issued Official Letter No. 2211/UBND-TH on May 03, 2012. With this official letter, the provincial PPC has requested directors of relevant provincial departments to expeditiously review, report and advise on their respective performances. PAPI will be used as part of these reviews to help provincial policy leaders to identify shortcomings and propose solutions to enhance implementation.

[7.] The policy brief was prepared by a group of development partners including the United Nations, World Bank, Asian Development Bank, AusAID and Oxfam and also endorsed by the European Union Delegation to Viet Nam and Embassies of Australia, Canada, Finland, Germany, Ireland, New Zealand, Norway, Switzerland and USA.

[8.] For details about the Directive see Quang Ngai's Official Gazette No. 27+28 on 14 December 2012 and also available at www.papi.vn in 'Provincial Profiles 2011'.

At the provincial level PAPI is also emerging as a critical reference tool for provinces. For the second year in a row, evidence about citizen's experiences with governance and public administration is available to be used by different actors. An increasing number of provinces are incorporating PAPI data into their overall framework for analysing their performance. Some examples include Binh Dinh, Quang Ngai, Ha Tinh, Kon Tum, Dak Lak, Ho Chi Minh City, and Da Nang. Box 2 provides a summary of particularly encouraging steps taking by Kon Tum, Quang Ngai and Dak Lak to look into PAPI findings and develop actions plans to improve performance.

At the analytical level, the publicly available data generated by PAPI has been used by social scientists in various studies. The previous PAPI report highlighted a series of papers, including a gender disaggregated analysis. Also, the 2011 Viet Nam Human Development Report included an extensive analysis of PAPI evidence and its linkages with development and social services outcomes. Researchers from the Ho Chi Minh Academy of Politics and Public Administration (HCMA)[9], the National Academy of Public Administration (NAPA), and the National Economics University (NEU) have also published papers in national and international journals using PAPI data. Box 3 provides an illustration of a research that highlights how PAPI has had a positive influence in provincial performance.

Box 3: Does Monitoring by PAPI Improves Local Governance?

A common question raised about the relevance of monitoring policy tools is whether they have an actual impact on decisions and policy implementation at the local levels. It is suggested that local authorities may improve their behaviour if they are surveyed and know they are being monitored. But what does the evidence tell us about the actual changes in performance?

Benefiting from PAPI rigorous and objective sampling, a recent project applied a randomized field experiment to examine the effect of monitoring local authorities on the quality of governance and public services from PAPI. Using 2011 data, the research compared provinces and districts with those that were not surveyed in 2010.

This paper found that governance quality reported by citizens in the surveyed provinces and districts of the 2010 PAPI survey is significantly higher than in other locations. This monitoring improves a wide range of governance aspects, including local participation in village decisions, transparency of local decision-making, accountability, administrative procedures, and public service delivery. These positive impacts indicate the importance of external monitoring systems that complement and provide information to policy makers at local and central levels.

Source: Giang Thanh Long; Nguyen Viet Cuong and Tran Ngoc Anh (2013) *Does PAPI Monitoring Improve Local Governance? Evidence from Randomized Field Experiment in Viet Nam. Forthcoming.*

Research undertaken by the HCMA is particularly noteworthy. With data from the 2010 survey, the HCMA faculty and research staff analysed a specific group of provinces. The objective was to understand the extent to which outputs identified by PAPI were consistent with inputs and efforts at the provincial levels. Specific case studies were documented and discussed with provincial authorities from Tien Giang, Long An, Hai Duong and Nam Dinh. Building on this initial research, in 2012 and 2013 the HCMA research was expanded

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9. See Le Van Chien (2012) and Dang Anh Tuyet (2012).

to examine possible discrepancies between 'inputs' and 'outputs' in eight provinces, including Soc Trang, Tra Vinh, Quang Nam, Phu Yen, Ha Nam, Ninh Binh, Dien Bien, and Cao Bang (see Box 4). These provinces were grouped in four pairs with similar levels of socio-economic endowments but different levels of performance as measured by PAPI. More importantly, the methodology, contents and findings of PAPI are being incorporated into different courses in the curricula of the academy.

Box 4: Analyzing Factors Affecting Provincial Performance

In an effort to understand what factors affect governance and public administration performance, senior researchers from the Ho Chi Minh Academy of Politics and Public Administration (HCMA) designed a comparative policy research in which pairs of provinces with similar socio-economic endowments were analysed using PAPI 2011 findings as analytical inputs. As such, the analysis of Dien Bien and Cao Bang suggested that key factors affecting performance include political determination, greater transparency and open competition in public employment. The analysis of Ha Nam and Ninh Binh suggested that contributing factors include education and awareness of citizens, proactive and pro-citizen issuance of land use right certificates. And, the analysis of Soc Trang and Tra Vinh highlighted that transparency of information towards citizens help improve quality of investment and infrastructure

This comparative policy research was presented at a policy dialogue at the HCMA headquarter where academics discussed with policy makers from the respective provinces. The dialogue, held on 5 April 2013, had the participation of vice-chairpersons of Provincial People's Committees, directors of home affairs departments and others. It served as an opportunity for the provinces to exchange lessons learnt and good practices. As concluded by Dr. Nguyen Tat Giap, Vice-President of the HCMA: "PAPI helps provincial leaders understand better provincial performance".

Source: See HCMA website at www.hcma.vn or visit www.papi.vn under 'News and Media'

Since May 2012, there has been extensive media coverage and discussions of the PAPI 2011 findings. This helps keep issues and problems identified in PAPI under the spotlight and press for solutions and actions. The Front Review from the VFF has published a number of articles about PAPI, ranging from the general introduction of the research, objectives, and findings to discussions of how PAPI also supports mobilization for human development.[10]   Also, hundreds of articles referencing PAPI findings have been published in a variety of mainstream media outlets.[11]

At the international level PAPI is also contributing to Viet Nam's emergence as a model for the evaluation of governance. PAPI's framework, methodology and philosophy have been highlighted in several international discussions in China, Nepal, Tunisia, Thailand, Brazil and Indonesia and in the governance assessment portal of the UNDP. The most profound

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[10]. See for instance Nguyễn Thanh Bình (2012) and other papers published at the Front Review are available at www.papi.vn.

[11]. See the January-February 2013 issue of Vietnam Law and Legal Forum and other available at the news and media corner at www.papi.vn for examples.

example of PAPI's influence has been in Thailand, where the PAPI model is expected to be replicated in a Provincial Governance Index (PGI) in 2013.

Structure of PAPI 2012 Report

This report is comprised of three chapters. The first chapter tracks changes in the overall national performance of governance and public administration over the two iterations of PAPI (2011 and 2012). The second chapter provides a pioneering investigation into informal payments faced by citizens in their interactions with local governments and public service providers. The third chapter presents aggregated and disaggregated findings for provinces of the PAPI 2012 with time-series comparison at dimensional and sub-dimensional levels. The report is followed by an appendix which includes a brief discussion about the methodology and the representativeness of the sample. The report is also accompanied by an interactive web-site at www.papi.vn with further background documentation and detailed provincial level profiles and indicators.

Chapter 1

AN OVERVIEW OF NATIONAL TRENDS

1.1. INTRODUCTION: MONITORING CHANGE IN PROVINCIAL GOVERNANCE

As a nationally representative survey PAPI provides a picture of overall performance across all 63 provinces in Viet Nam. In terms of the validity of the survey instrument, it is promising to see a great deal of stability between the scores of the previous year with this second nationwide replication. Overall, there is consistency in scores as portrayed in Figure 1.1. Although expected, this provides reassurance over the robustness of the sampling frame. Some stability should be expected because the issues measured by

PAPI are complex, multi-disciplinary and require time to change, especially behaviours by public officials when interacting with citizens and addressing their demands.

Despite the stability, the positive findings is that four out of six dimensions exhibited small-scale improvement. That is, citizens in 2012 seemed to have, on average, more positive experiences when interacting with public officials than in 2011. The dimensions with the improvements in overall scores are transparency, control of corruption,[12] public service delivery and vertical accountability (see Figure 1.1).

Figure 1.1: Overall Progress: Improvement in Four Dimensions from 2011 to 2012

■ 2011 Mean ■ 2012 Mean ■ 2011-2012 Change (percentage)

Dimension scores (scale 1 to 10) / percentage change 2011-2012

Dimension 1. Participation at Local Levels: 5.30, 5.16, -2.66
Dimension 2. Transparency: 5.47, 5.61, 2.54
Dimension 3: Vertical Accountability: 5.50, 5.58, 1.41
Dimension 4: Control of Corruption*: 5.69, 5.84, 2.59
Dimension 5: Administrative Procedures: 6.88, 6.87, -0.17
Dimension 6: Public Service Delivery: 6.75, 6.90, 2.29

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12. The scores for 2011 in Dimension 4 on Control of Corruption have been adjusted for comparative purposes.

In terms of control of corruption, Figure 1.1 shows an increase of about 2.59% from 2011. As Table 1.1. this is partly due to a major improvement of 5.72% on willingness to fight corruption. This improvement is notable in a year of national discussions about amendments to the anti-corruption law which mostly contains a great number of articles on transparency issues. At the same time, the changes in terms of limiting corruption in both public sector (including issues of equity in employment) and service delivery seemed to be negligible to show statistical significance.

Regarding transparency at local levels, the dimension increased 2.54% compared with the previous year. Part of the reason for this shift was improvement in the publication and dissemination of poverty lists, which improved 3.61% in its mean score. Transparency in land use plans and prices also improved 3.13%.

On public service delivery, there was an increase of 2.29% in the overall dimension. From this increase it is important to note a significant increase of 5.83% in local level infrastructure (see Table 1.1).

Views on public administrative procedures show a minor reduction in its overall score of 0.17%, which is not statistically significant. Participation at local levels, however, showed a larger decline with an overall reduction of 2.66%. One possible explanation for this might be due to the fact that public awareness was high in 2011 due to the national elections held during that year. However, a closer look reveals that at the sub-dimension level, issues of civic knowledge, opportunities for participation and voluntary contributions fell 4.78%, 4.69% and 3.23%, respectively (see Table 1.1).

Table 1.1: PAPI Overall Scores by Dimension and Sub-dimension: 2011 and 2012

	2011			2012			2011-2012 Change (%)		
	Mean	Low	High	Mean	Low	High	Mean	Low	High
Dimension 1. Participation at Local Levels	5.30	5.23	5.37	5.16	5.09	5.23	-2.66	-2.68	-2.63
Civic Knowledge	1.11	1.09	1.14	1.06	1.03	1.09	-4.78	-4.98	-4.59
Opportunities for Participation	1.88	1.85	1.91	1.82	1.79	1.85	-3.23	-3.34	-3.12
Quality of Elections	1.45	1.43	1.48	1.47	1.44	1.49	0.91	1.04	0.78
Voluntary Contributions	0.85	0.83	0.87	0.81	0.79	0.84	-4.69	-5.12	-4.27
Dimension 2. Transparency	5.47	5.38	5.56	5.61	5.53	5.70	2.54	2.81	2.52
Poverty Lists	2.15	2.10	2.20	2.23	2.19	2.28	3.61	3.84	3.39
Communal Budgets	1.76	1.72	1.79	1.77	1.73	1.81	0.70	0.60	0.79
Land-Use Plan/Pricing	1.56	1.54	1.58	1.61	1.59	1.63	3.13	3.50	3.27
Dimension 3: Vertical Accountability	5.50	5.44	5.57	5.58	5.51	5.65	1.41	1.36	1.46
Interactions With Local Authorities	1.87	1.85	1.90	1.88	1.85	1.91	0.21	0.10	0.32
People's Inspection Boards	1.85	1.81	1.88	1.87	1.83	1.91	1.21	0.74	1.67
Community Investment Boards	1.78	1.75	1.81	1.83	1.81	1.86	2.89	3.01	2.76
Dimension 4: Control of Corruption*	5.69	5.57	5.81	5.84	5.73	5.95	2.59	2.80	2.39
Limits on Public Sector Corruption	1.40	1.35	1.45	1.44	1.39	1.48	3.05	3.12	2.18
Limits on Corruption in Service Delivery	1.76	1.72	1.79	1.75	1.72	1.79	-0.34	-0.17	-0.18
Equity in Employment	0.94	0.90	0.99	0.96	0.91	1.01	1.46	1.36	2.15
Willingness to Fight Corruption	1.59	1.57	1.62	1.69	1.66	1.71	5.72	5.92	5.52
Dimension 5: Administrative Procedures	6.88	6.84	6.92	6.87	6.83	6.91	-0.17	-0.13	-0.22
Certification Procedures	1.68	1.66	1.71	1.67	1.65	1.70	-0.57	-0.40	-0.73
Construction Permit	1.77	1.76	1.78	1.77	1.76	1.78	-0.16	-0.26	-0.06
Land Procedures	1.58	1.57	1.60	1.57	1.55	1.58	-0.79	-1.17	-1.08
Personal Procedures	1.84	1.82	1.86	1.86	1.84	1.88	0.99	0.94	1.05
Dimension 6: Public Service Delivery	6.75	6.69	6.80	6.90	6.84	6.95	2.29	2.18	2.26
Public Health	1.75	1.72	1.77	1.78	1.76	1.80	1.66	2.19	1.52
Public Education	1.65	1.64	1.66	1.67	1.64	1.69	0.82	0.02	1.60
Infrastructure	1.75	1.70	1.80	1.85	1.80	1.90	5.83	5.82	5.84
Law and Order	1.60	1.58	1.61	1.60	1.59	1.61	0.32	0.40	0.24

* Scores for 2011 have been adjusted for comparative purposes.

Another way to look at changes in provincial governance over time is to explore the actual distribution of provinces by dimension scores. Figure 1.2 provides a snapshot of where provinces fit in the actual distribution range. For each dimension, the dotted bar represents the range of scores from the lowest scoring to the maximum scoring province. The median scoring province is represented by the red dot within this range. Half of the provinces are below and half above this point.

The most significant finding is that no median score experienced a reduction in 2012. The median province's score for Dimension 1 on participation at local levels remained practically the same, but there was a decline in the maximum and minimum scores in 2012. Dimension 2 improved its median score from 5.53 in 2011 to 5.79 in 2012, while the range remained consistent. Variation in Dimension 3 on vertical accountability increased as did the median score.

Figure 1.2: Changes in Dimension Scores
(lowest, median and maximum provinces)
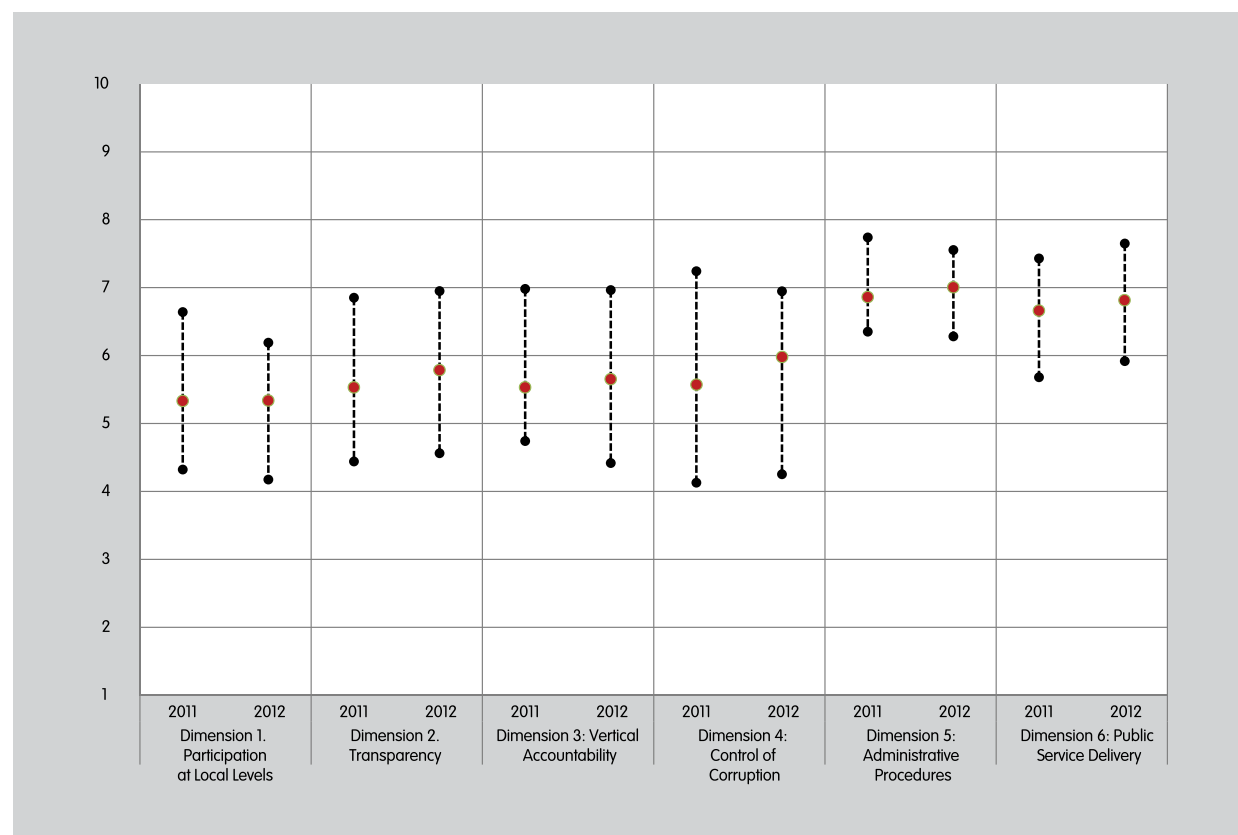
Figure 1.2 also shows two interesting shifts in the distribution of scores regarding Dimension 4 on control of corruption (adjusted for 2011 scores). First, the actual distribution narrowed in 2012 compared to 2011 (note length of the dotted bar smaller). The second change is on the distribution around the median province. In 2011 provinces seemed to be evenly distributed, while in 2012 the distribution converges towards the higher

end of the scale, with a higher median score. This suggests that half of the provinces are clustered closer to the maximum score than to the lowest.

Dimension 5 on public administrative procedures seems to be consistent in terms of the smaller distribution of provincial scores as compared to other dimensions. This suggests that citizens overall experiences on administrative procedures are similar

across provinces. What is interesting to note is the increase in the median score, from 6.86 to 7.01. This median score clusters the distribution of half of the provinces closer to the maximum score. Finally, Dimension 6 on public service delivery saw increases in the lowest, median and maximum scores.

These dimensional and sub-dimensional level comparisons provide a useful snapshot of overall scores trends, but to understand issues of performance and areas of policy improvements overall, further disaggregation of the PAPI data is in order. The 22 sub-dimensions and six dimensions scores are based on a set of survey questions about different issues that capture 92 different indicators. Thus, aggregation may hide important and specific policy issues. The reasons is that PAPI is a composition of 378 dimension scores and 1,368 sub-dimension scores that come from a process of computing 5,796

individually verifiable indicators. To explore the underlying issues, the analysis now provides a more detailed analysis to help illustrate these differences at the indicator level over time.

1.2. CITIZEN OPTIMISM ABOUT THE ECONOMIC SITUATION

The analysis on the effects of policies on governance and public administration performance requires a consideration of the overall development context in which these policies and processes are put into place. It has been argued in previous PAPI reports that at different development stages, different policy responses are required as a middle-income country, Viet Nam needs to incorporate governance and public administration issues into the reform agenda in a more rigorous and evidence-based manner.

Figure 1.3: Current Economic Situation in 2012
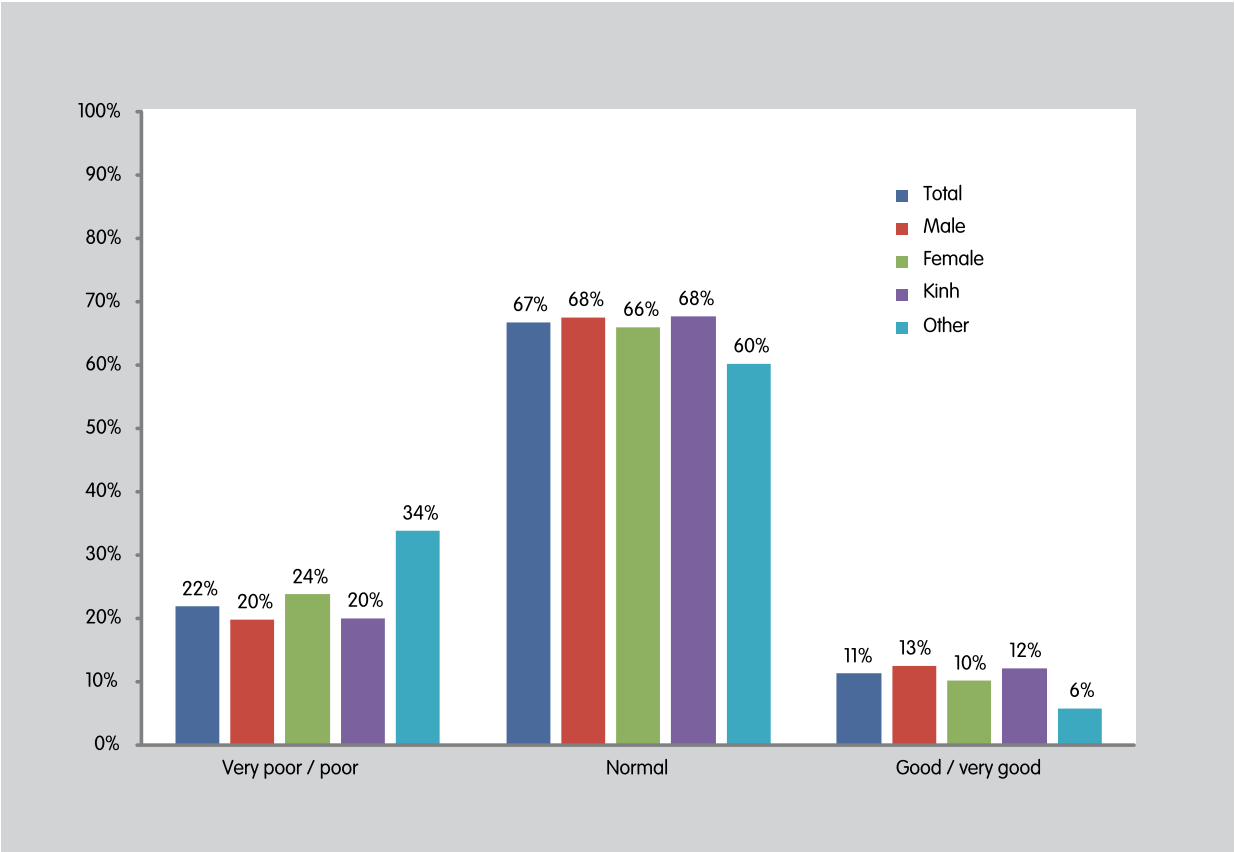
In that regards, as a nationwide representative survey and in an effort to deepen the understanding of issues of performance, PAPI queries citizens about their past, current and future economic conditions. Although the findings for 2012 are very similar than those in 2011 and 2010, there are some signs of decline. Overall, Vietnamese citizens have a very optimistic view of their current economic situation with around 78% considering their situation from normal to very good (see Figure 1.3)—a small decline from 83% in 2011. When the data is disaggregated by gender and ethnicity, it seems non-Kinh ethnic groups are less optimistic with only 6% of them considering their situation as good or very good and 34% as very poor or poor. Women follow this pattern with 10% considering their situation as good or very good (3%

fewer than men), and 24% considering their condition as very poor or poor (4% higher than men).

These levels of optimism are also reflected in citizens assessment of their economic situation compared to five years ago, when Viet Nam was not yet a middle-income country. In 2012, a majority of citizens (59%) perceived their current situation better, 24% the same and only 16% as worse (see Figure 1.4). A deeper look shows that ethnic minorities groups express a different view, with 18% considering their situation as worse (2% higher than total average and gender groups), 35% the same (11% and 12% higher than total and Kinh groups, respectively), and 45% as better (14% fewer than national average). In other words, fewer than half of ethnic minority respondents feel that their situation has improved.

Figure 1.4: Economic Situation Compared to Five Years Ago
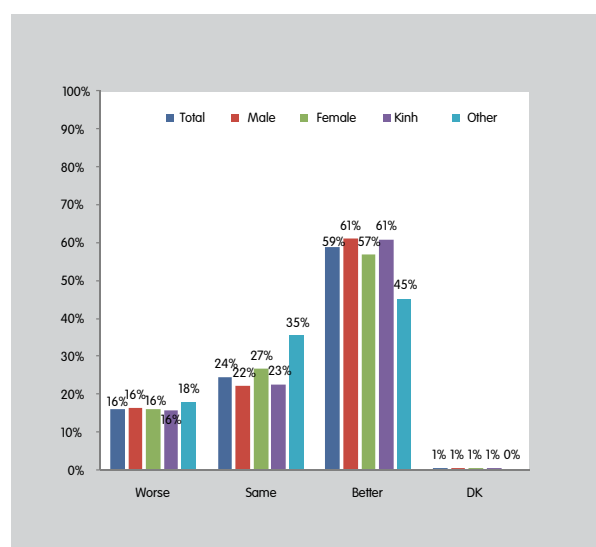
Figure 1.5: Economic Situation in Future Five Years
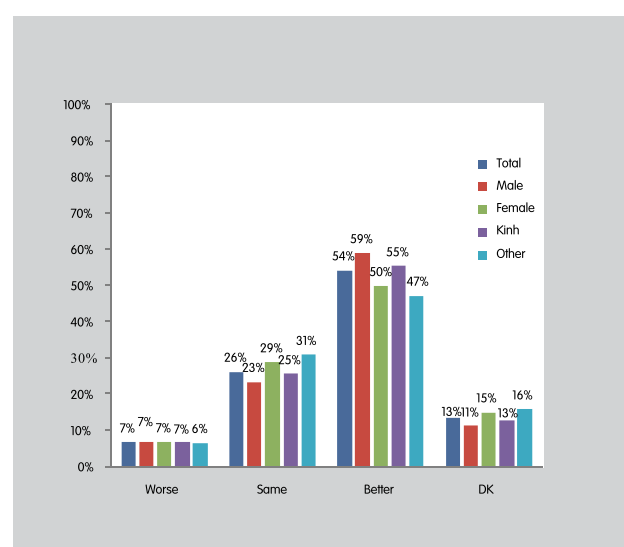
In 2012 the economic outlook for the next five years was also positive. On average, about half consider their economic future as the same (26%) and better (54%), only 7% believe it will be worse, while 13% are uncertain (see Figure 1.5). In this area, there is only a slight difference in terms of gender and ethnicity. For instance, 6% more women than men believe their economic situation will be the same, while 9% fewer

women believe their condition will be better. Nearly one-third of non-Kinh citizens believe their condition will be the same (31%), compared to one fourth of Kinh (25%). In addition, 47% of non-Kinh believe their economic situation will be better, as compared with 55% Kinh. Finally, uncertainty is higher among non-Kinh, than any other group.

1.3. CITIZEN KNOWLEDGE AND EXPERIENCE WITH GRASSROOTS DEMOCRACY

As a nationwide survey on governance and public administration performance, PAPI collects information about citizens' overall levels of knowledge and awareness of basic and universal grassroots democracy rights granted by the state. The Grassroots Democracy Ordinance (GRDO) is the official document that grants these rights meaning that knowledge of

them, either through the formal or informal channels, is important. Such awareness impacts the quality of participation, enhances citizen expectations of what public officials, improves monitoring of public agencies, and empowers citizens to check abuses by local officials. If citizens are not aware of their rights, their levels of substantive participation in the oversight of government agencies may suffer.

Figure 1.6: Awareness of Grassroots Democracy (2010-2012)

Figure 1.7: Awareness of Grassroots Democracy (2012)
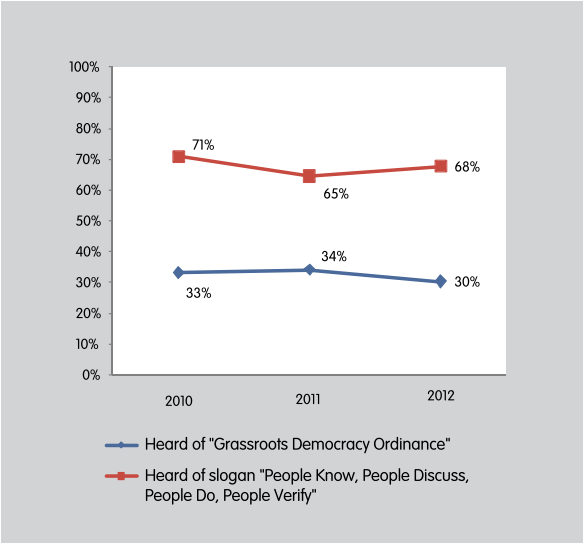
To assess this dimension, PAPI asks whether citizens are aware of these rights and regulations, either through knowledge of the GRDO or its slogan of "people know, people discuss, people do and people verify". As with previous years, citizens are highly aware of these democratic regulations, but mostly though the informal channels of communication. Figure 1.6 suggests than in 2012 on average 68% of Vietnamese citizens had knowledge of the popular slogan, as compared with only 30% who were aware of the GRDO. For both the slogan and the ordinance, the levels of awareness have declines slightly since 2010, but in general, have remained stable.

Figure 1.7 portrays a deeper disaggregated analysis into 2012 awareness of grassroots democracy

regulations in Viet Nam. In both cases, both men and members of the Kinh majority exhibit greater awareness. For instance 39% of men are aware of the GRDO, as opposed to 23% of women. In terms of the ethnicity, while 31% of Kinh have heard of the GRDO only 23% from other ethnic minority groups know about it. The pattern is replicated in terms of the slogan, with men and Kinh citizens with higher awareness (73% and 70%, respectively) than women and other ethnic minority groups (63% and 53%, respectively). In sum, women and non-Kinh citizens seem to be less aware of their grassroots democracy rights. This lack of awareness may be an influential factor that hinders access to equal democratic opportunities.

1.4. CITIZEN EXPERIENCES ABOUT LAND USE PLANS AND PROCESSES

During 2012, a great deal of policy debate revolved around a draft revision to the Land Law that will be submitted to the National Assembly for approval in 2013. The debate centred on issues of land tenure, compensation, land use plans and land use right certifications. The greatest debate was over compensation and relocation of poor farmers. As

identified in the previous years, one of the root causes of the land complaints was the limited knowledge citizens seem to have about the land use plans in their localities. In 2012, eight out of ten citizens were not aware of such plans (see Figure 1.8). In addition, consistent with previous years, among those citizens who are aware of these land use plans, the main source of information comes from local government officials (17%), as opposed to other sources (3%).

Figure 1.8: Awareness of Land Use Plans
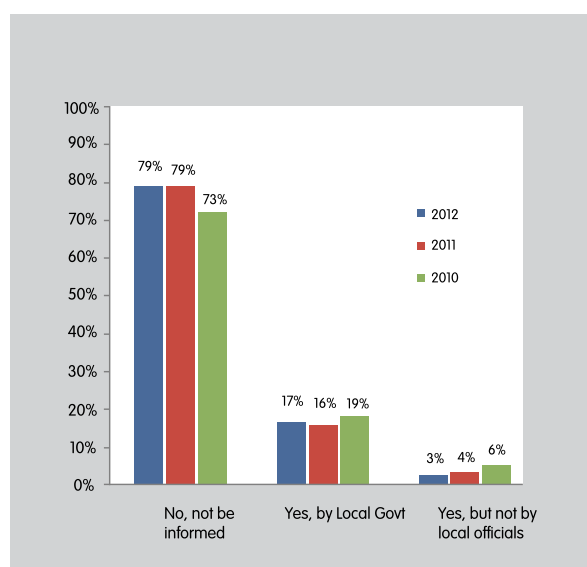
Figure 1.9: Opportunities to Comment on Land Use Plans
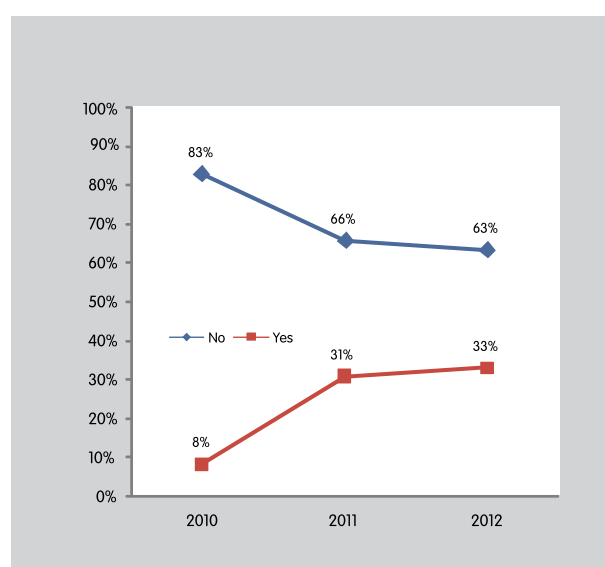
Two conclusions can be drawn from these findings. First, the limited knowledge of these land use plans enables abuse by public officials who might receive rents for the allocation of land. Second, it also suggests that media and civil society organization could play a more relevant role in finding ways to better inform citizens about these plans.

Yet, despite this limited knowledge of land use plans, a bright spot in terms of improving land related problems is that transparency and information seems to pay off. From the 19% of citizens who are aware of these land use plans, there seems to be a tendency to

have more opportunities to comment on such plans. The number has increased over the years. In 2010 only 8% of citizens said they had any opportunity, in 2011 the number dramatically increased to 31%, and in 2012 33% of informed citizens expressed to have had opportunities to comment on those plans (see Figure 1.9). In line with previous recommendations, this shows the need to enhance mechanisms for citizens to be aware of land use plans in their localities and take part in processes related to land allocation. This will be an important channel to enhance citizens' confidence in local officials and reduce the pressure on central level authorities to address land related problems.

1.5. TRANSPARENCY OF POOR HOUSEHOLDS LISTS

Another area of concern regarding transparency and public information is about the list of poor households.

Compared with previous years, there has not been a great deal of improvement in awareness of the lists. Figure 1.10 shows that while in 2010 65% of Vietnamese citizens were aware of the poor households list in their communities, in 2012 it was reduced to 58% positive responses.

Figure 1.10: Has the List of Poor Household Been Publicized?
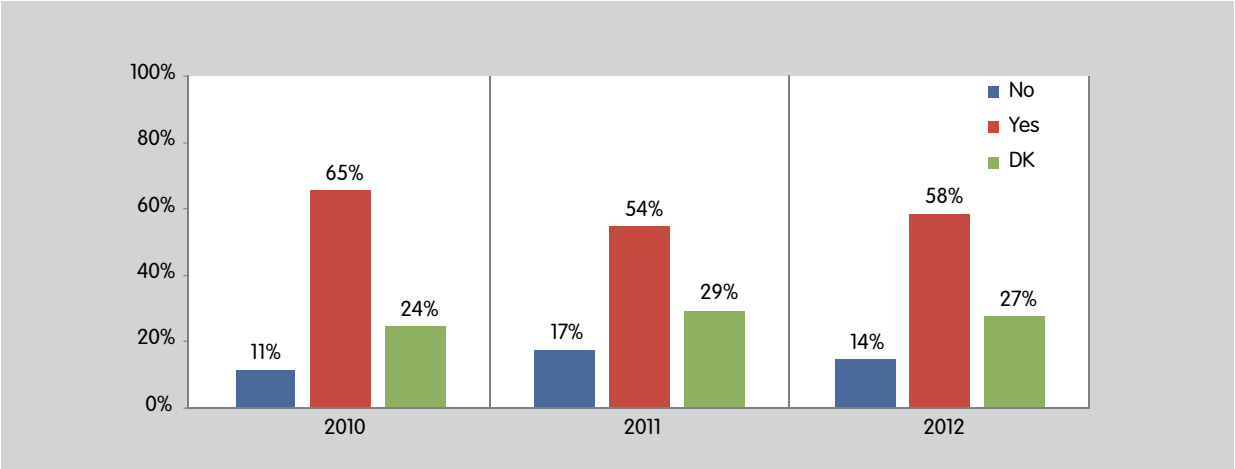
This drop in knowledge is a call to action. Improving the transparency and dissemination of these lists will help reduce opportunities for corruption, reduce rent-seeking behaviours from local officials and increase the pool of funding required to lift households out of poverty. In doing so, the government's efforts to continue the poverty reduction rates and to enhance living conditions of poor and low middle-class Vietnamese citizens will benefit from the greater availability of resources.

Consistent with 2011 findings, Kinh citizens are better informed than other ethnic minority groups. In 2012, an estimated 59% of Kinh citizens said they were aware of these lists, compared to 54% from other ethnic minority groups (see Figure 1.11). No difference is noted in terms of gender.

Figure 1.11: 2012: Awareness of Poor Household Lists In Commune (yes)
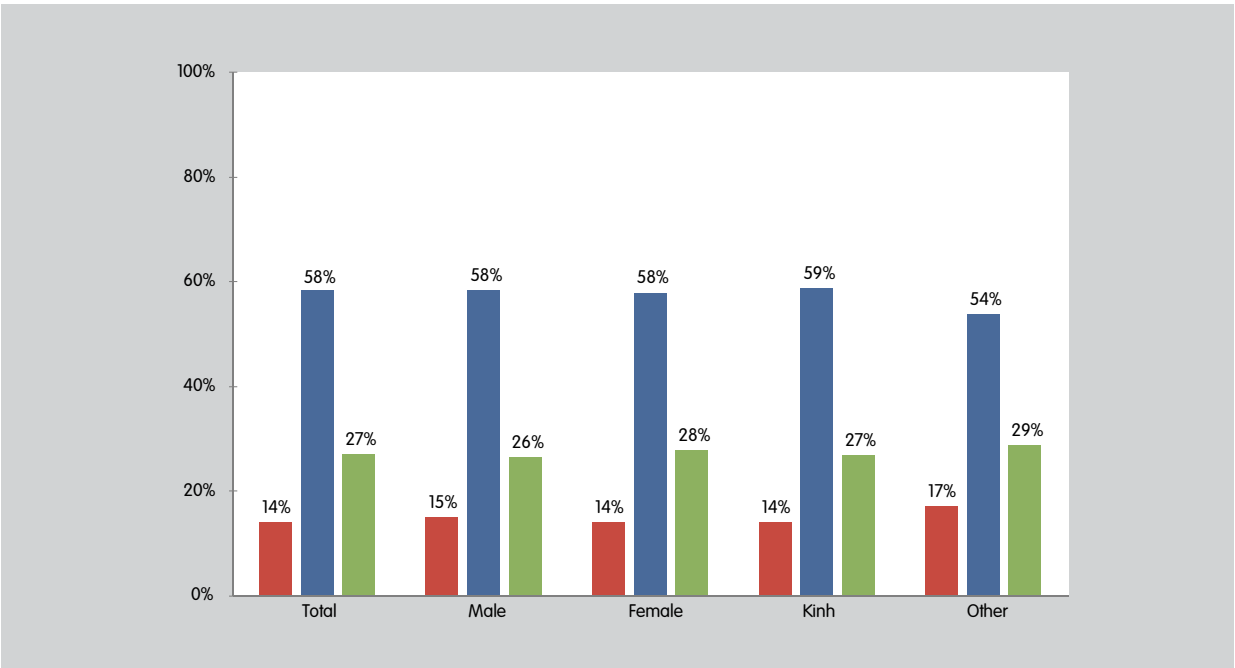
1.6. TRANSPARENCY OF COMMUNE LEVEL BUDGETS

A third area in terms of transparency queried by PAPI relates to commune level budgets, and in particular their levels of publicity and credibility. According to the Anti-Corruption Law and related implementation regulations, commune budgets must be made publicly available. The findings from PAPI shows that 44% of citizens are not aware that their communes even have budgets, 34% of citizens are aware of them, and 22% are aware of budgets but not aware that the budgets have been made available (see Figure 1.12). When compared with 2011 findings, there are no changes in the "do not know" responses, but there are positive signs of improvement in their transparency.

Figure 1.12: Commune Budget Publicized
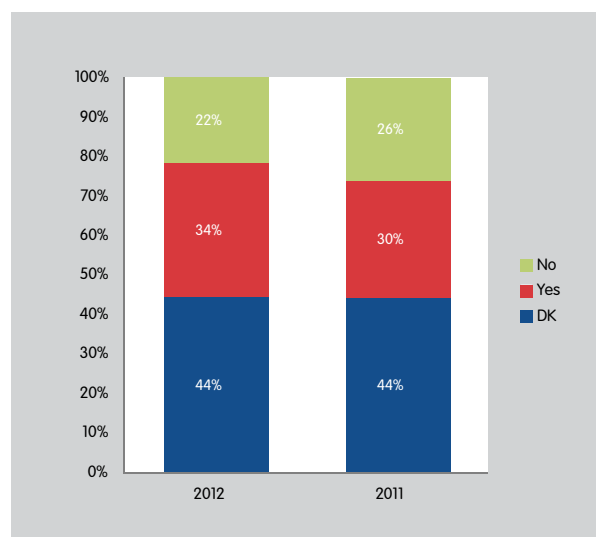
For instance, year on year there is an increase of 4% of respondents who are aware and a decrease of 5% on citizens who are not aware. Yet, a policy message is that only one third of citizens seem to be actually aware of these important development processes and thus a call of action to enhance enforcement of transparency regulation and dissemination of these budgets. Perhaps an institutional channel to enhance the knowledge of commune budgets could be through the local level People's Inspection Boards (PIBs).

1.7. CITIZEN KNOWLEDGE OF CORRUPTION AND ANTI-CORRUPTION LEGISLATION

Overall, the Government's continued efforts to disseminate the contents of anti-corruption legislation continue to exhibit positive results. A great deal of Vietnamese citizens are aware of the anti-corruption law (44%). What seems to be an interesting findings is that men are better informed (54%) than women (35%). In terms of ethnicity, half of Kinh citizens are aware while only one-fourth of citizens from other ethnic minority groups are aware of the law (see Figure 1.13). This finding is very consistent with previous years and points to the need to improve dissemination among ethnic minority groups.

Another finding related with the levels of awareness of anti-corruption is the fact that citizens seem to form strong opinions about the willingness of local governments to fight corruption the more knowledge they have about the anti-corruption law. Figure 1.13 suggests that for citizens who have heard about the law, 42% believe provincial governments are "serious" and 34% believe they are "not serious" in fighting corruption. For citizens who have not heard about the law, opinions decrease to 29% and 17%, respectively. Figure 1.14 also highlights the decrease of "don't know" answers from citizens who have heard about the law. This implies that awareness of the law is a strong driver of public opinion towards governmental willingness to address corruption.

Figure 1.13: Awareness of AC Law 2012
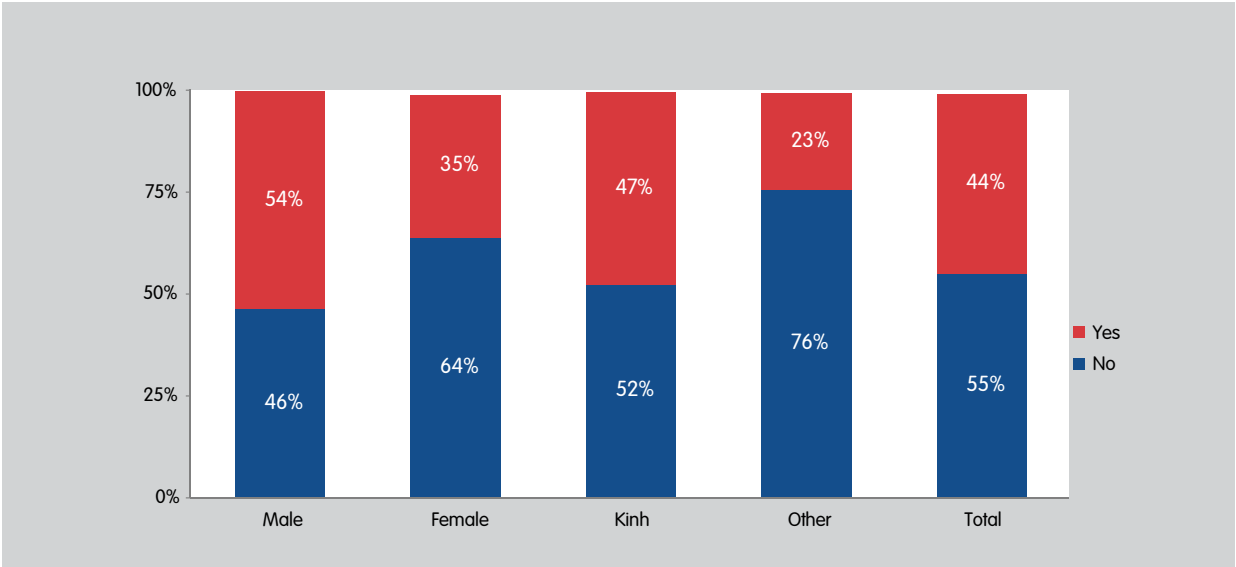
A deeper look at the perception of local government willingness to fight corruption is depicted in Figure 1.15. Men seem to have more negative perception with 29% saying that local governments are not serious as opposed to 21% of women. But when comparing responses by ethnicity, it seems non-Kinh citizens are more reluctant to answer or at least provide more "don't know" responses (50%) compared with 38% from Kinh citizens.

Figure 1.14: Provincial Government Serious About Dealing with Corruption
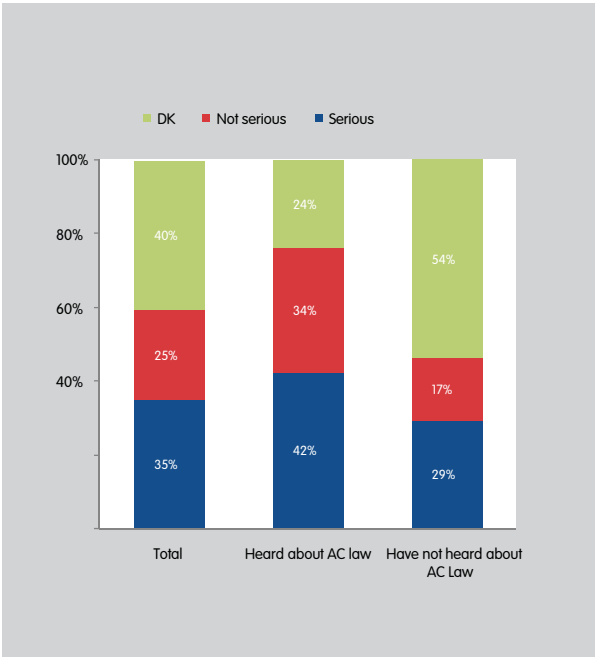
Figure 1.15: Serious Provincial Government Dealing with Corruption Disaggregated
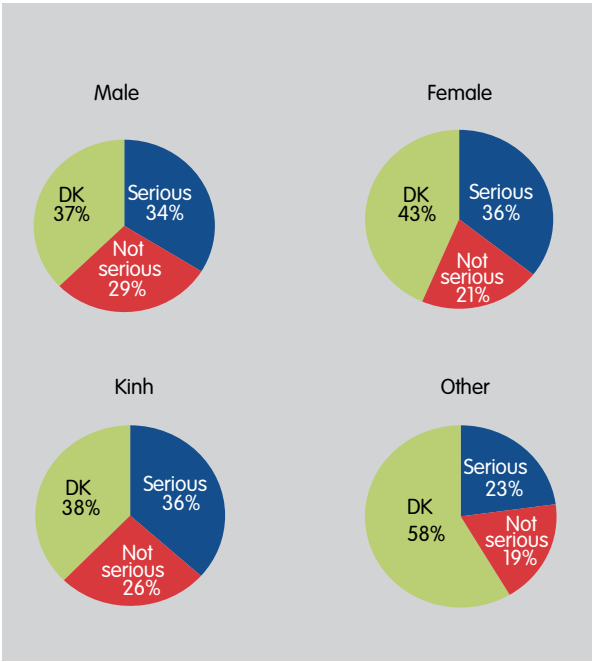
Resolution 21/NQ-CP on the Anti-Corruption Strategy until 2020 is an official document on the extent and nature of the problem of corruption in Viet Nam. It recognizes corruption as a systemic problem in Viet Nam that threatens the stability of the regime and endangers the development outlook of the country. In an effort to understand how endemic and persistently citizens experience corruption and bribery in the public sector, PAPI queries citizens on bribery across different sectors.

The findings reveal that not only do corruption and bribery remain a constant problem across several sectors, but that these problems are also on the rise.

For instance, when asked about corruption in the public sector, citizens largely agree with statements that bribes are required to receive medical care (42%, an increase from 31% in 2011), to get a job in the civil service (44%, compared with 29% in the previous year), to receive a land use right certificate (32% as opposed to 21% in 2011); for children to receive better treatment at school (25%, compared to 17% 2011), and to apply for a construction permit (22%). Additionally, while 13% of citizens in 2011 believed that state officials tend to divert public funds for personal benefit, in 2012 the percentage increased to 23% (see Figure 1.16).

Figure 1.16: Perception of Corruption and Bribery in the Public Sector
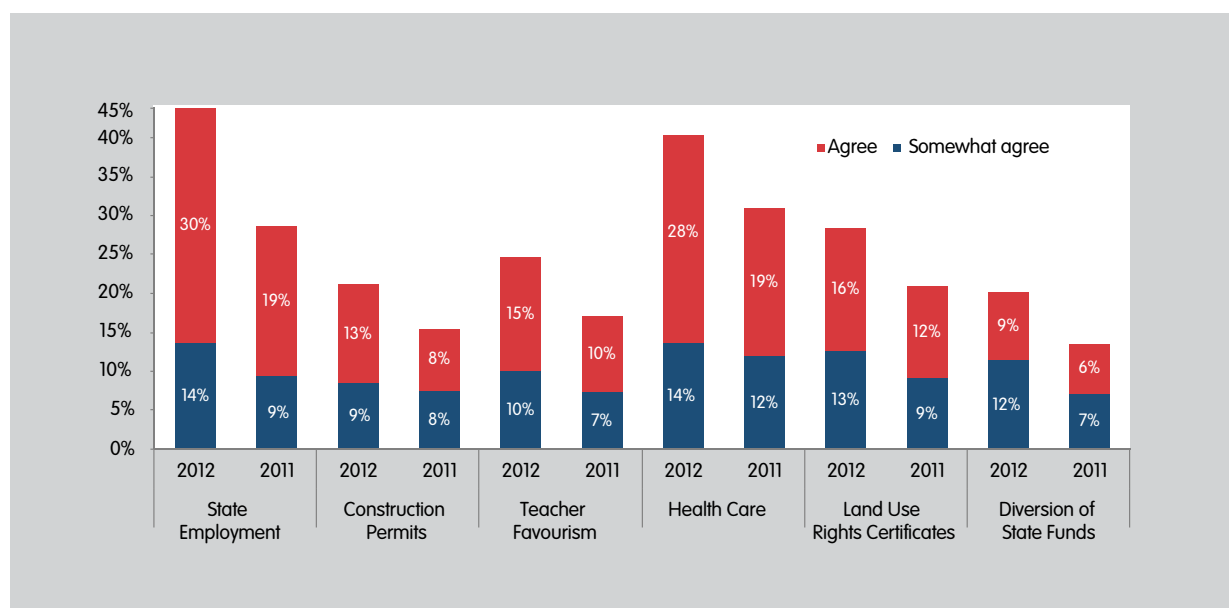
1.8. PEOPLE'S INSPECTION BOARDS AND COMMUNITY INVESTMENT SUPERVISION BOARDS

In the Vietnamese policy and implementation context, two local level institutions have been officially tasked with the mandate to make local government accountable. This is done through monitoring public sector performance and public investments with the People's Inspection Boards (PIBs) and the Community Investment Supervision Boards (CISBs), respectively. However, despite their establishment and mandates,

it seems these accountability institutions lack the proper resources, profile and legitimacy to perform their roles.

Consistent with previous years, the existence of both institutions remains alien to ordinary citizens. In 2012, the majority of Vietnamese citizens (66%) either were not aware of a PIB or said there was no PIB in their locality (see Figure 1.17), while 83% had the same opinion regarding CISBs (see Figure 1.18). This limited knowledge and awareness is troublesome as it remains consistent with 2011 findings.

Figure 1.17: People's Inspection Boards: Coverage and Effectiveness

Figure 1.18: Community Investment Supervision Boards
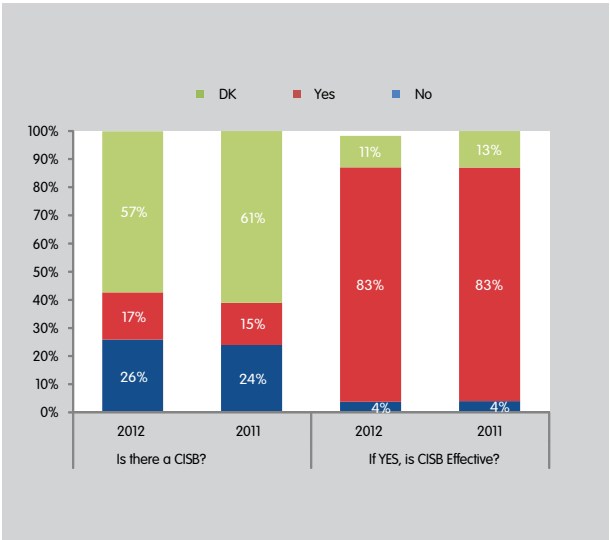
Figures 1.17 and 1.18 also confirm the finding that for citizens who are aware of either of these boards, they tend to believe these boards have high effectiveness. For instance, regarding citizens who are aware of the existence of PIBs and CISBs, 79% and 83% perceive them as effective, respectively.

These findings send a strong policy message. PIBs and CISBs perform an important accountability and public monitoring role. Yet for them to be more effective, they need to be better resourced. The establishment of these boards is an important step towards enhancing accountability, reducing opportunities for corruption, and improving the quality of public investments at the local levels. Providing these boards with better resources is a one way to improve their effectiveness and increase citizen awareness.

1.9. CITIZEN EXPERIENCES WITH ADMINISTRATIVE PROCEDURES

In terms of public administrative procedures, PAPI investigates equity in employment and nepotism in the civil service system. The 2009 Law on Public Officials and Civil Servants, as well as Resolution 30c/NQ-CP on the Promulgation of the Public Administration Reform Master Plan from 2011 to 2020 highlight the importance of improving the quality of civil servants and public officials. Yet, consistent with findings from the previous two years, it seems there is still a long way to go in terms of reforming recruitment practices. Figure 1.19 illustrates how citizens perceive the importance of personal connections rather than merit in obtaining employment in five public sector positions. In 2012, 26% of citizens think connections are not important for a public sector job in a people's committee, as opposed to 47% who think connections are important. The trend is replicated for jobs such as for land registrar, primary school teacher, justice officer or commune policeperson.

Figure 1.19. Nepotism: Importance of Personal Connections in Getting Public Jobs
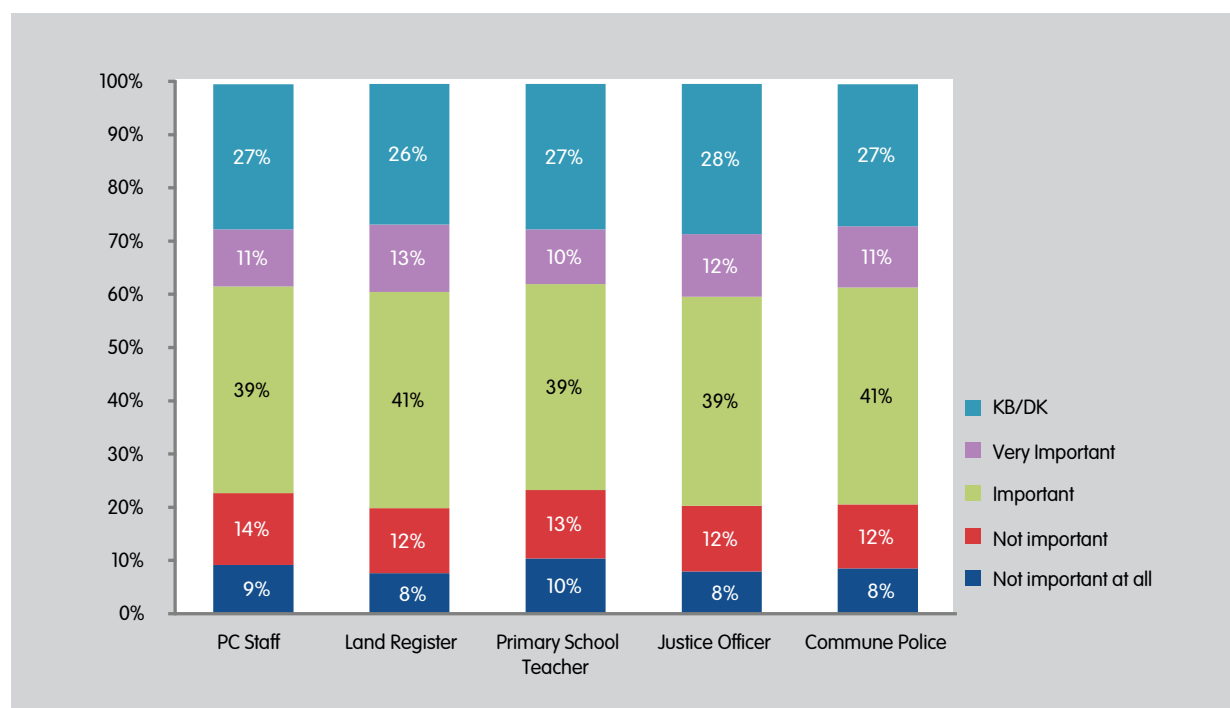
These findings are important as they reveal to a certain extent the problems associated with the quality of civil servants and public employees. They are also linked to another area of interest by PAPI, that is overall levels of satisfaction with a selected group of public administrative procedures. In 2011, PAPI reported a high level of satisfaction by citizens when dealing with public administrative procedures. This finding was consistent in 2012. Overall, for citizens who have dealt with a certification procedure, a construction permit or another administrative procedure, there seems to be a high degree of satisfaction. These high levels of satisfaction may be surprising, but they seem to suggest the reform process, including the one-stop-shops, are having a great deal of impact on the quality of services.

Yet, there are also areas of concern. For instance, the lack of respect and professionalism shown by civil servants stands out prominently. Figure 1.20 breaks down changes in overall satisfaction by administrative procedures and suggests that for citizens who have applied for land use rights certificates their overall satisfaction has declined due to lower perceptions of the skill and attitude of the officials. Those who felt the

officials were incompetent were 65% less satisfied with their overall experience. Similarly, those who perceived a lack of respect were 62% less satisfied. For citizens who applied for construction permits, overall satisfaction decreased by 60% when no clear information was available and 57% when officials were abusive toward applicants (see Figure 1.20). For applicants of construction permits the two major

drivers of satisfaction are the absence of clear deadlines (47% decline in satisfaction) and when abuse or lack of respect is experienced (decline of 36%). For citizens who applied for other types of administrative procedures at commune people's committees, the major drivers of satisfaction were excessive waiting times (decline of 39%) and lack of respect from officials (26% lower levels of satisfaction).

Figure 1.20: Satisfaction Towards Public Administrative Procedures
(% change from overall satisfaction)
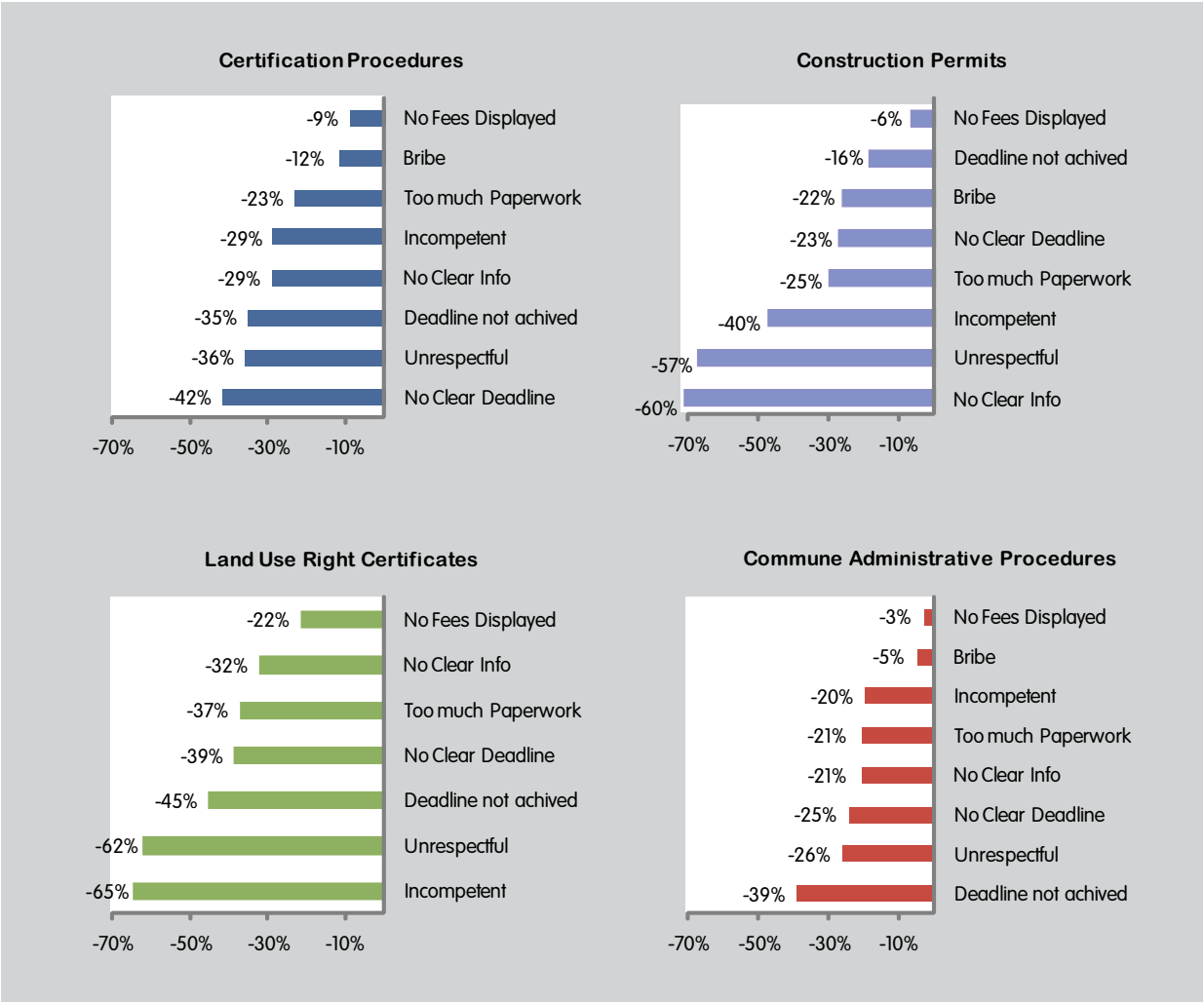
An interesting finding from Figure 1.20 is the impact on the overall level of satisfaction depending on whether a respondent had to pay a bribe. On average, for citizens who agreed with the statement that some sort of bribery or informal payment is required, the levels

of satisfaction diminished 22% for those obtaining a construction permit, 12% for those who completed a certification procedure, and a 5% reduction in the overall satisfaction for those who dealt with other procedures at the commune level (see Figure 1.20).

1.10. CITIZEN EXPERIENCES WITH PUBLIC SERVICES

Another dimension explored by PAPI is about the experiences and levels of satisfaction with public services, in particular health care and education. For this, PAPI asks about health experiences at district level

public hospitals using nine different criteria. These criteria aim to provide an understanding of strengths as well as areas for further improvement of health system in the country. The accessibility of social services in Viet Nam is widespread[13], but as an emerging middle-income country the challenge for policy makers is how to improve their quality.

Figure 1.21: Satisfaction with District Public Hospital Services
(Impact on overall satisfaction – percentage)
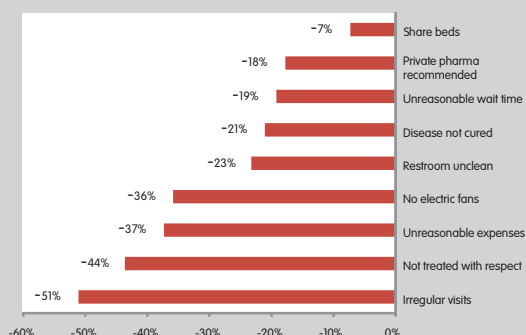
Figure 1.22: Satisfaction towards Public Primary Schools
(% change from "very good" opinions on quality)
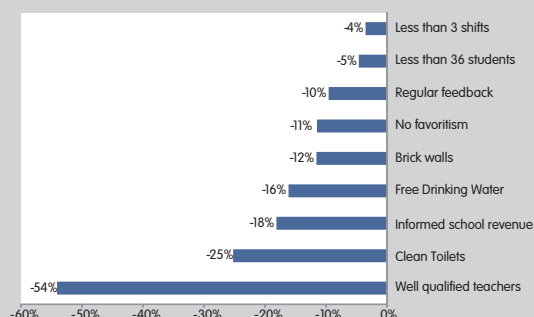
In the previous year, PAPI reported a relatively high degree of satisfaction with district public hospitals, both in terms of infrastructure and human resource capacities of health providers. That pattern was maintained in 2012 where overall citizens remain fairly satisfied with these services. Yet, a few patterns have emerged in terms of what drives citizens' satisfaction towards services received at district public hospitals.

Figure 1.21 suggests the two main drivers of satisfaction are the treatment patients experience and attention received from health care providers. In particular, when patients experience low levels of regular visits by nurses or doctors, their satisfaction levels declines by 51%, and when patients experience lack of respect, their satisfaction diminishes by 44%. A third driver of satisfaction is unreasonable health expenses. When patients experience abnormal requests for expensive treatments, satisfaction declines by 37%. Other drivers include lack of adequate facilities in these health centres,

including for example no electric fans in rooms (decrease of 36%) and unclean restrooms (decrease of 23%).

A second public service assessed by PAPI are levels of satisfaction in public primary schooling. For this, PAPI queries households with children enrolled in public primary schools about their experiences with the schools, including teaching staff, school administrators and infrastructure. The findings for 2012 are consistent with findings from 2011. An important driver of satisfaction is about the skills and qualifications of teachers. Figure 1.22 suggests that when parents feel that their children's teachers are not qualified, the number of those responding that their level of overall satisfaction was "very good" drops by 54%. This calls for a greater focus on primary teacher qualifications.

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13.   See UNDP (2011).

Other drivers of satisfaction towards public primary school include a mix of infrastructure related issues, limited transparency and teachers' behaviours and school administrators' outreach. For instance, lack of clean toilets at schools decreases "very good" opinions by 25% and when parents have limited information about school revenues and expenditures, their satisfaction diminishes by 18% (see Figure 1.22).

1.11. CONCLUDING REMARKS

This chapter has presented a few aggregated national level findings and revealed a great deal of consistency across time in many indicators. The chapter has also indicated areas of progress and exposed gaps in policy implementation. Similar to 2011 findings, citizens remain optimistic about national and household economic prospects. However, their level of awareness about institutions and transparency in local decision making remains poor. The findings suggest that citizens continue to demand more accountability from local authorities, better control of corruption in the public sector, and better quality administrative and public services, in accordance with their improved development levels.

The following chapter presents a pioneer analysis in Viet Nam that attempts to measure the extent of informal payments at the national level from the actual experiences of citizens. This analysis is possible since PAPI uses state-of-the-art survey techniques and is built from a representative sample from every province, and thus these national statistics provide policy makers at the central level of government with valuable information about the country as a whole.

Chapter three will move away from a national aggregation and will detail provincial performance in each dimension and sub-dimension. This is done, because aggregation overshadows provincial performance variation. The focus will turn towards policy makers at the local levels by way of presenting variation in provincial governance and public administration performance. This is helpful to identify not only good versus poor performers, but also good practices at the provincial level that other provinces, especially those with similar socio-economic and geographic characteristics, can learn from and adapt in their localities. Finally, as argued in previous PAPI reports and discussions, the identification of provincial variation provides incentives for provinces to cooperate and share knowledge and information and ultimately to improve performance, but also for top-performers to maintain their higher standards.

Chapter 2

ANALYSING INFORMAL PAYMENTS IN VIET NAM

2.1. INTRODUCTION

One consistent problem with studying governance is the reluctance of respondents to answer sensitive questions. This is particularly true in the case of questions gauging participation in informal payments or bribery in Viet Nam. Because answering honestly may force respondents to self-incriminate or place them in danger of reprisals, it is never clear whether the conclusions reached from such questions are a realistic portrayal of corruption in the research setting. In many cases, respondents choose not to answer or answer inaccurately, leading to biased conclusions.

A common survey approach, which attempts to avoid this problem by asking respondents to answer generally by discussing "individuals like you" rather than the respondent's own experience, has been shown to exaggerate the true amount of corruption in society[14], as respondents over-report the same incident or rumours.

As in previous iterations of PAPI, a cutting edge technique known as the Unmatched Count Technique (UCT), but more informally known as a list question[15] was implemented. List questions are extremely easy to administer, as a respondent is simply presented with a list of activities and must only answer how many of the activities they engaged in. They are not obligated to admit to engaging in a sensitive activity in any way. As a result, the respondent can reveal critical information without fear.

Experimental trials have shown that UCT outperforms all other techniques at eliciting sensitive information and maintaining the comfort level of respondents.[16] The trick to the UCT approach is that the sample of respondents must be randomly divided into two groups that are equal on all observable characteristics. One group of respondents is provided with a list of relatively infrequent, but not impossible activities, which are not sensitive in any way. The second randomly selected group, however, receives an additional item on the list. This additional item is the sensitive activity. The difference in means between the two groups is the percentage of respondents engaging in the sensitive activity.[17]

In PAPI 2012, three sets of list questions are asked in order to measure the scope (share of participants) and scale (size of the average bribe) in three critical areas: i) obtaining a land use rights certificate; ii) using a public district hospital; and iii) sending children to a public primary school.

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14. See Treisman (2007)

15. See Couts and Jann (2011), Imai (2011)

16. Couts and Jann (2011)

17. It is important to remember that the mean of a dichotomous variable can also be read as a percentage. For example, in a question where a respondent was asked to list their gender and female was coded as 1, while male was coded as 0, the mean of that variable is the percentage of females in the sample. Because there is a one item difference between the two groups, the same rule applies.

2.2. BRIBERY TO OBTAIN LAND USE RIGHT CERTIFICATES

In a recent report, a joint-donor project listed the process for the acquisition of land use rights certificates as a key contributor to corruption in Vietnam.[18] The authors wrote that the process of obtaining a land-use rights certificates (LURCs) was found to be unnecessarily complex and time consuming, creating incentives to cut corners by working through intermediaries or by making unofficial payments. Another study identified land administration as the second most corrupt sector and highlighted that citizens had a 18% probability of paying a bribe when using the service of LURC or dealing with the agency.[19]

To measure whether there has been progress on combating this form of corruption, the 2012 PAPI survey asked respondents, who obtained land in the past three years, to reflect on their experiences.[20] The first panel of Figure 3.1 demonstrates the results for the UCTs employed in the PAPI survey to measure bribes paid when obtaining an LURC. Respondents who received Form A answered that they took part in 2.33 activities on average. Respondents who received from B claim they took part in 2.16 activities. The difference between the means is 0.17 or 17%, indicating that 17% of respondents paid bribes when applying for their LURC. As the 95% confidence intervals plotted around the mean score reveal, these means are significantly different. That is, the difference in means could not have occurred by coincidence. Repeated random samples would yield significantly sizable results, ranging from a minimum of 16% to a maximum of 19%.[21]

Knowing that 17% of respondents pay bribes only provides part of the story. It is possible that corruption could be widespread but have an insignificant impact on people's lives because the payments are relatively small. In this case, corruption is only annoyance for citizens. In fact, some authors have argued that

corruption under such circumstances can actually be positive for citizens, as it tends to make public service delivery more efficient, as citizens who value the service highly will simply pay more.[22]

To measure the cost of corruption, the previous question was followed by another question that asked respondents to pinpoint the amount they paid for each of the activities they engaged in, when completing their LURC applications.[23]

The second panel of Figure 2.1 presents the results of this analysis. On the vertical axis the total payment in VND for obtaining an LURC is displayed. As the data is highly dispersed with some respondents paying as much as 104 Million VND (US$4952) and others paying only a few thousand VND, a natural log transformation was used. Respondents who received Form A (with the sensitive item) answered that they paid about 13.53 on the logged scale (751,000 VND, or US$36) to obtain their LURC. Respondents who received form B (without the sensitive item) paid about 13.35 (628,000 VND, or US$29). The average bribe is the difference between the two total payments or 123,000 VND (US$7).

Although this price appears quite small, it is worthwhile to put it in context. First of all, 123,000 VND represents roughly one fifth of the total cost of obtaining an LURC for the average Vietnamese citizen. GDP per capita in 2011 was US$1,407, so the LURC bribe represents 5% of average monthly income and over 10% of the average monthly wage paid by firms surveyed in the GSO Enterprise Census. Furthermore, Circular No. 106/2010/TT-BTC of the Ministry of Finance on LURC application fees stipulates that the fees cannot exceed 100,000 VND for new LURCs and 50,000 VND for renewed LURCs for urban applicants; and that zero fees are applied for rural applicants.[24] Finally, only 14% of PAPI respondents have a working refrigerator, so it is clear that the money spent on the bribe could be spent elsewhere. The relevant question therefore turn into how valuable a LURC is to those mostly likely to pay the bribe.

[18.] World Bank et al. (2011)

[19.] See Government Inspectorate and World Bank (2012)

[20.] See Question D507f in PAPI questionnaire available at www.papi.vn.

[21.] A t-test reveals a t-statistic of 2.3, and a p-value of 0.02. In short, this difference is statistically significant at the 98% level.

[22.] Lui (1985)

[23.] See question D507fa.

[24.] See Circular 106/2010/TT-BTC at Ministry of Justice Codification Portal at:http://www.moj.gov.vn/vbpq/Lists/ Vn%20bn%20php%20lut/View_Detail.aspx?ItemID=25664

Figure 2.1: Bribery in Land Use Rights Allocation
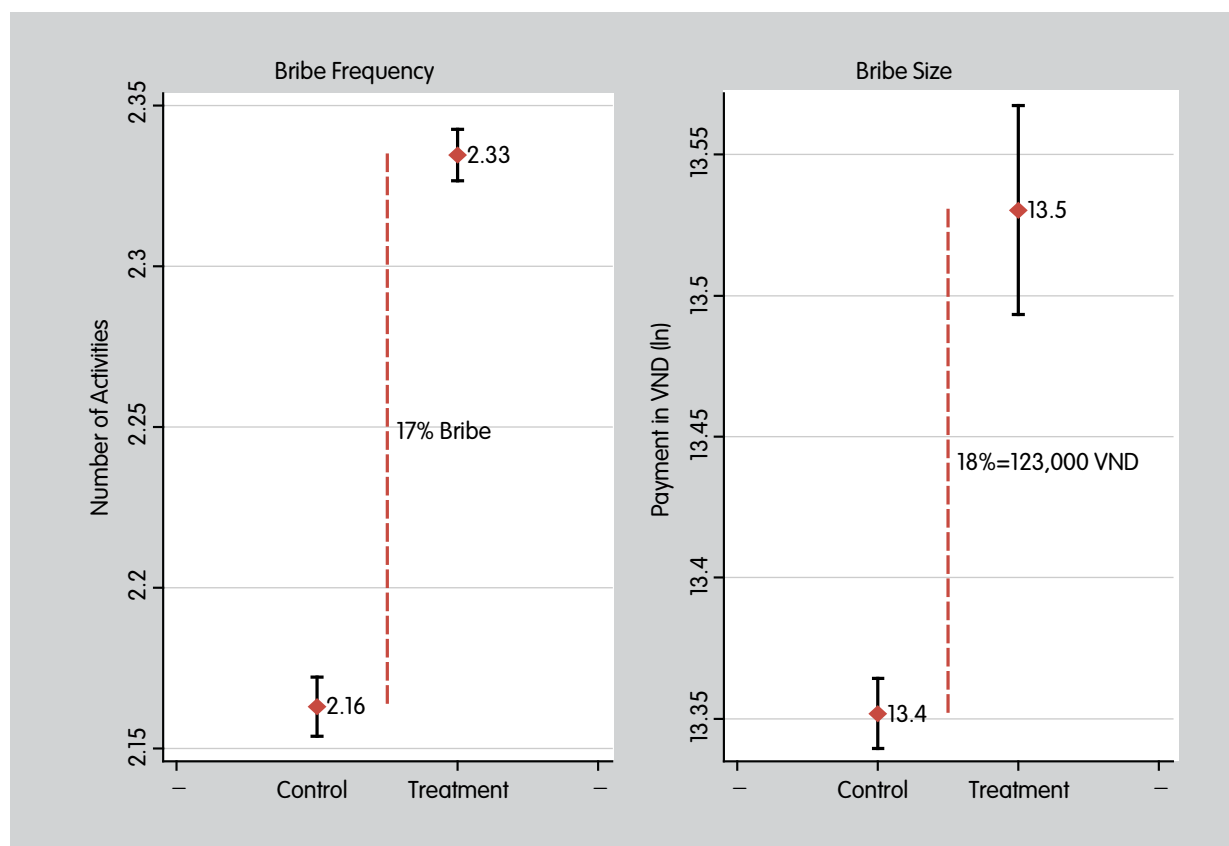
2.3. BRIBERY AT PUBLIC DISTRICT HOSPITALS

Another form of bribery occurs when citizens must pay informal fees (voluntarily or coercively), above and beyond legally stipulated service fees, to receive access to basic public services that are guaranteed by law.[25] Bribery in public service delivery can occur at hospitals, when doctors or nurses demand and receive extra payments in order to ensure high quality service. Alternative forms of bribery occur when doctors divert patients to their more lucrative private practices, rather than seeing them in public hospitals.

Another list question (D604) was used to identify what proportion of the 5,481 respondents, who visited local hospitals in 2011 (either by themselves or with family members), paid bribes when receiving the service. With this question, Form B received the sensitive item. Once again, the difference between the two groups is large and statistically significant. Ten percent of respondents paid bribes when receiving hospital services, paying an average bribe of 37,000 VND (US$1.80), roughly a third of all extraneous expenditures at the hospital per visit.[26] In fact, this is exactly the amount that Transparency International reported are necessary to obtain basic services from orderlies or nurses in its rigorous, qualitative study of corruption in the industry.[27] These results can be observed in Figure 2.2.

[25.] See Law No. 40/2009/QH on Health Care and Treatment

[26.] Standard error (3%), t-statistic(3.0), p-value (0.001), significant at the 99% level.

[27.] See Tran et al. 2011.

Figure 2.2: Bribery at District Hospitals
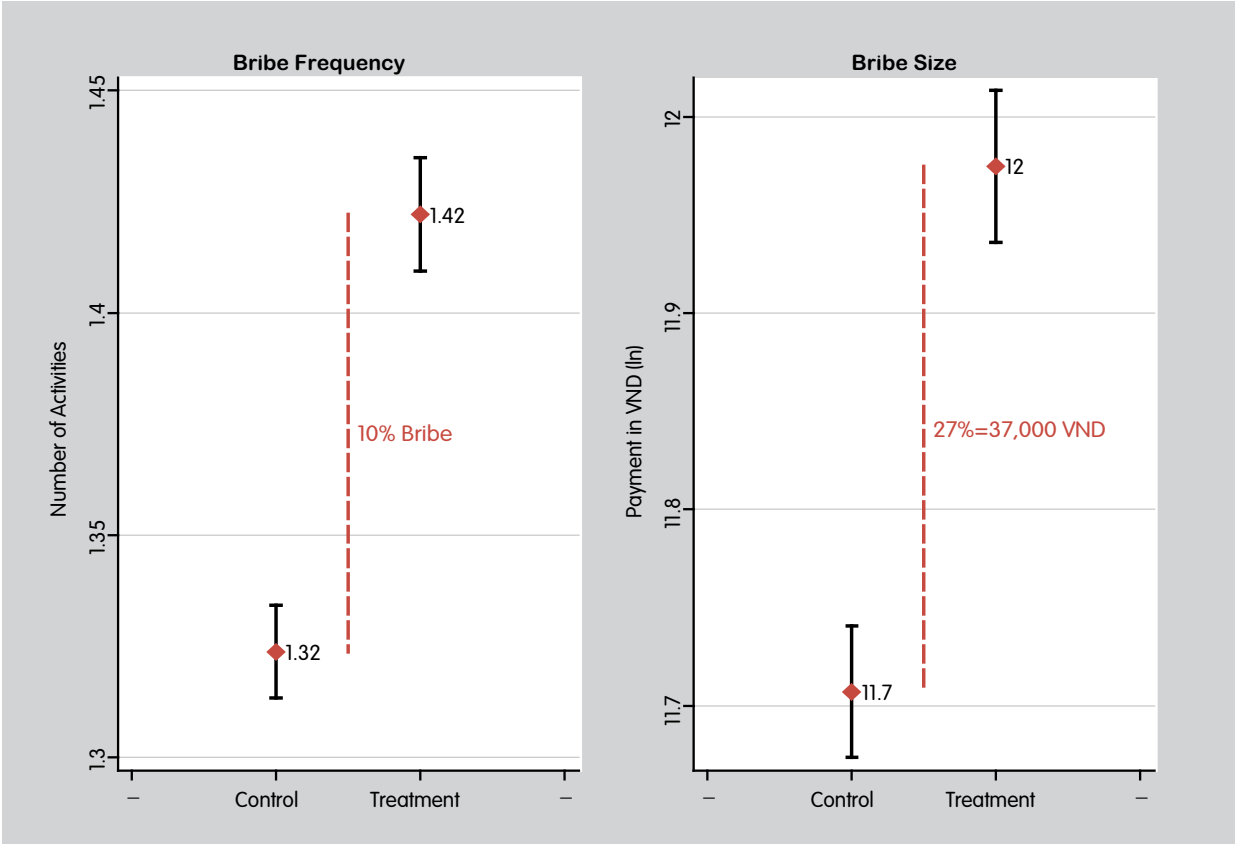
2.4. BRIBERY IN PUBLIC PRIMARY SCHOOLS

In education specifically, bribery in public service delivery can occur when teachers demand or willingly accept extra payments in order to ensure better training and care towards pupils. Alternatively, teachers may coerce students to enrol in afterschool study sessions, rather than providing an adequate classroom experience. Bribery also takes place when grades and other markers of achievement can be achieved for a price, rather than as a reward of merit for classroom performance.[28]

Question D606cc was used to measure the scale of corruption in public primary schools for payments above and beyond legally stipulated primary education fees of which tuition is legally free. With this question, Form B received the sensitive item. Yet again, the difference between the two groups is large and statistically significant, yielding an average bribe price of 98,000 VND (US$4.70), about 12% of other extraneous primary education expenses.

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28. See Transparency International (2012)

Figure 2.3: Bribery in Public Primary Schools
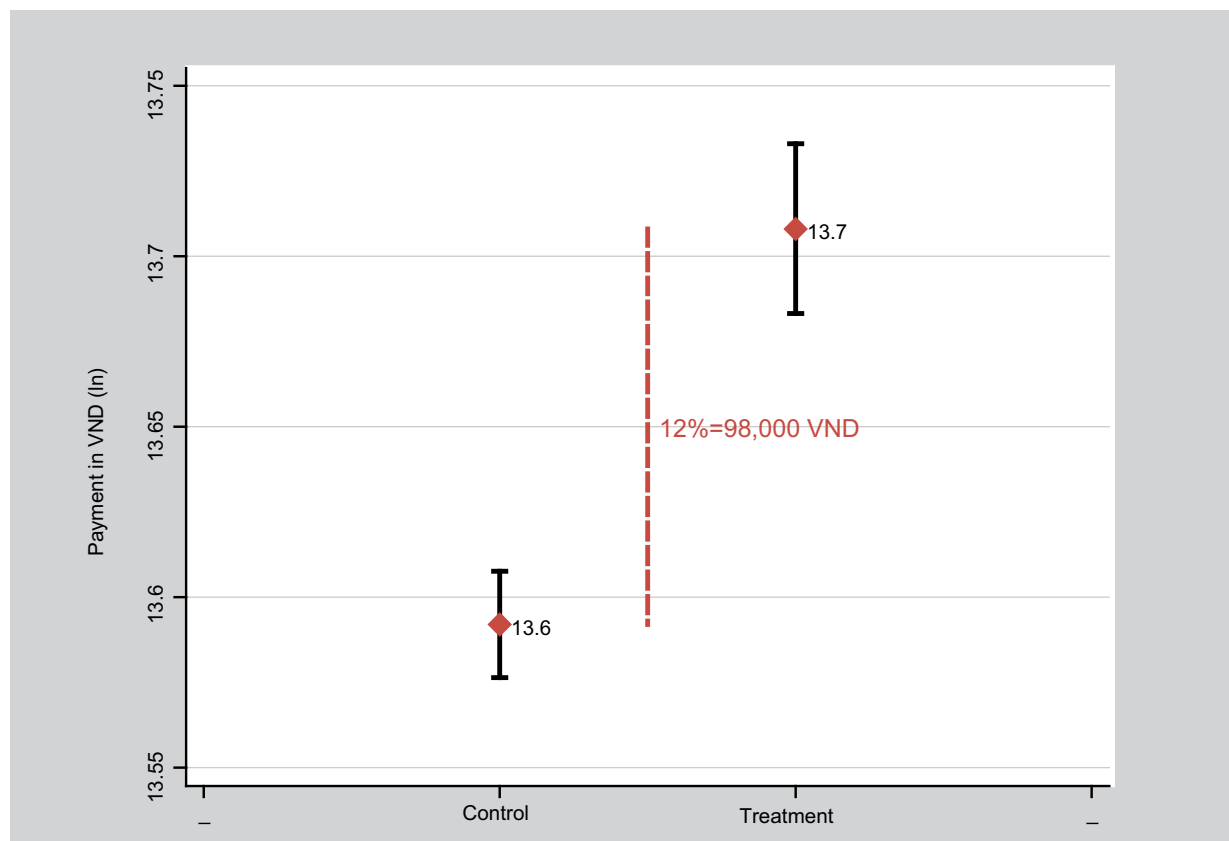
2.5. AN ALTERNATIVE CALCULATION STRATEGY

The three analyses discussed above represent the most conservative approach to estimating the scope and scale of corruption. The difference-in-means has the benefits of simplicity, easy interpretation, and high efficiency. There is very little noise around estimations. On the other hand, the difference-in-means is quite conservative, because it throws away individual-level variation in the probability of participating in corruption, and simply compares the group averages. Consequently, estimations using this approach constitute a lower bound on the amount of corruption observed in the PAPI survey.

An alternative approach, which was used in earlier iterations of PAPI in 2010 and 2011 is the truncated estimation strategy.[29] In this approach, the probability of participating in a non-sensitive activity is estimated for

every individual in the sample using covariates available in the dataset for the control group. This estimation of non-sensitive activities is then subtracted from the total amount of observed activities engaged in by each individual in the treatment group. The difference is the probability of engaging in corruption for each individual in the survey. In some cases, the observed number of activities (or size of payment) may actually be less than the predicted amount, leading to a negative probability of corruption. Because such a result is nonsensical, Glynn recommends rounding those observations to zero (or zero probability of participating in corruption). Thus, the procedure is called truncated estimation. The danger of this approach, however, is the truncation tends to create a positive bias on the total probability of corruption in society. Consequently, the truncated estimator should be treated as the "upper bound" on the predicted probability of corruption in Viet Nam. In other words, the amount of corruption is unlikely to be higher than these figures.

29. See Glynn, (2010)

Table 2.1 compares the results of the two estimation strategies. As can be seen, the upper bound of corruption using the truncated method is substantially higher and more worrisome. According to this strategy, corruption during the land certification process touches about 56% of the sample and costs 818,000 VND on average per applicant. Similarly, roughly 50% of the sample pays bribes at the hospital, paying an average of 146,000 VND per visit. Educational corruption is even more severe, affecting almost 18% of the population and costing the average citizen 572,000 VND (six times the size of the lower bound) per semester.

Table 2.1: Estimating the Upper Bound of Bribery

Methodology		Land Certificate		Hospital		Education[30]
Analysis Technique	Bound of Estimate	Scale (%)	Size (VND/ applicant)	Scale (%)	Size (VND/ patient/visit)	Size (VND/student/ semester)
Diff-in-Means	Lower	17.0%	123,000	10.0%	37,000	98,000
Truncated	Upper	56.6%	818,000	48.4%	146,000	572,000

The actual bribe is somewhere between these two estimates. Even if the lower bound was focused on, corruption still affects a significant proportion of citizens and places a substantial cost on citizens in the country. Money that could be better spent elsewhere is used to improve the efficiency of service delivery and the quality of public service provision. The higher bound, while speculative, should be taken as a reminder that the actual cost of corruption could be even more severe.

2.6. REPORTING CORRUPTION

Knowing that VN citizens pay about between 100,000 and 600,000 VND in bribes to supplement their educational expenses is interesting, but difficult to understand in isolation. From a policy perspective, it is also relevant to understand how burdensome citizens report corruption to be. When do bribery requests from officials become so great that they would lead citizens to take actions to reverse them? In more blunt prose, how much bribery is too much?

To answer this question, an additional survey experiment drawn from the economics literature on contingent valuation was used. Respondents were simply asked how high a bribe request would be before they reported it to local authorities. Citizens were asked to evaluate several bribe sizes, ranging 10,000 to 100,000,000 VND (US$0.48 to US$4,761). Knowing this information allows an estimation of a price schedule for when citizens deem corruption to be so problematic that they would take a stand and denounce the practice. To make sure that the bribe schedule was universal and did not apply to one particular agency or actor in the locality, randomization was used to examine whether respondents were told the bribe request came from a police officer (Form A) or high-ranking official in the Commune People's Committee (Form B). The results are shown in Figure 2.4 below.[31]

[30.] Note: The frequency question was not asked in the case of educational corruption. However, it can be estimated by the percentage of respondents who paid more for education than would be predicted based simply on the list of non-sensitive items. The estimated frequency in this case is about 18%.

[31.] See question D404.

Figure 2.4: Bribe Reservation Price
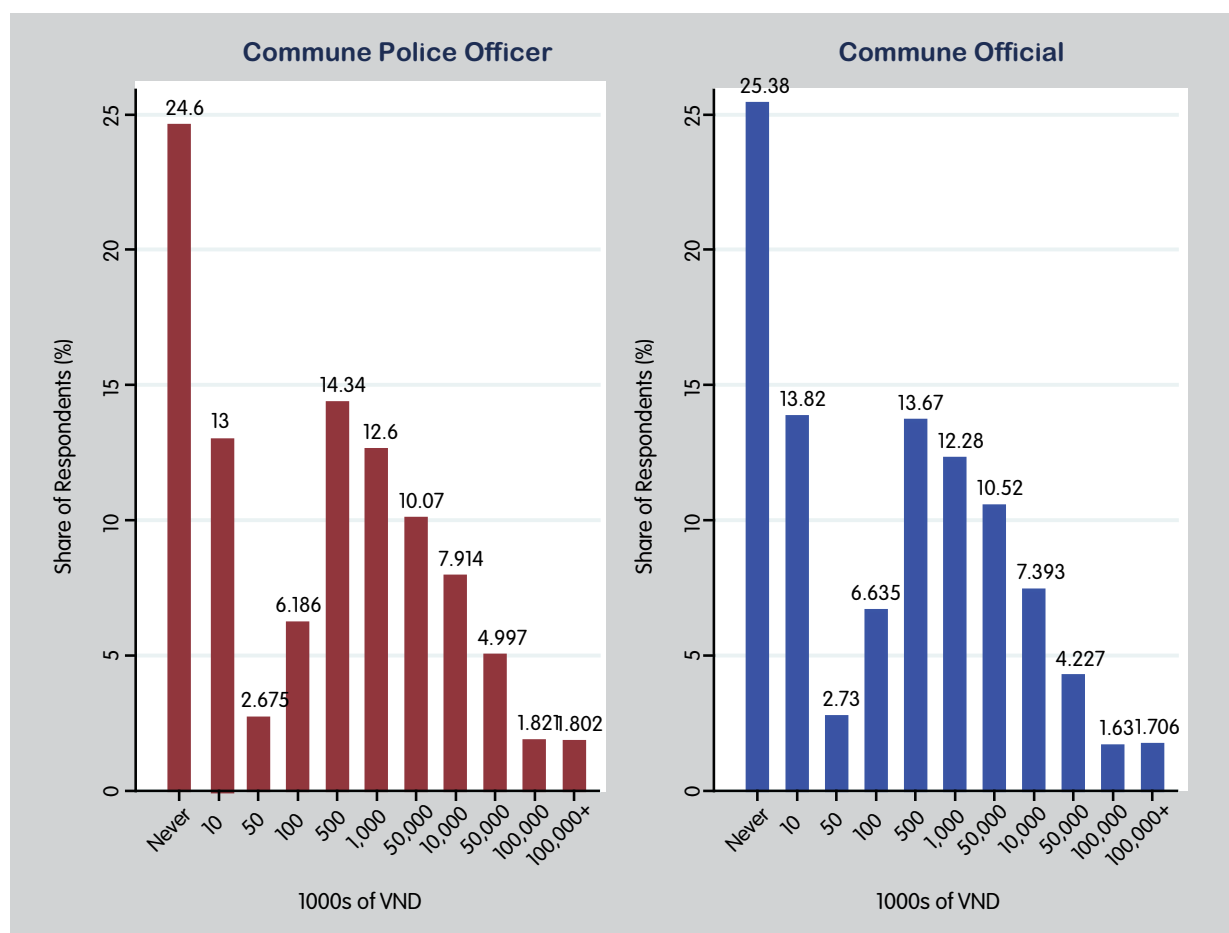
The first thing to notice about the figure is that, as in previous years of PAPI, there is virtually no difference at all between the police officer and the commune official. Vietnamese citizens maintain the same reservations about reporting bribe requests regardless of who is asking for it. The second important fact is that 2,663 respondents (roughly 25%) in both cases would never denounce the corrupt act—no matter how big. This is a massive amount of people who either are afraid of the repercussions from denouncing corruption or who do not trust the legal institutions charged with rectifying the problem.

Third, reporting corruption for bribes below 500,000 VND is quite rare. Only 22.5% of respondents would report bribes below US$23, less than would never report any corruption at all. Thus, even for those with an inclination to report malfeasance, there is a tolerance for low-level bribery. The reasons for such tolerance vary. It may be that small bribes are simply an annoyance relative to the costs of denunciation,

which may take a great deal of time, lead to retaliation from officials, and have a low probability of success (see Section 3.4, Chapter 3 for details about denial to denunciate bribe requests). Alternatively, small bribes may be tolerated because citizens initiate them in order to speed up procedures under the expectation that they will receive highly quality services.

Nevertheless, the lack of reporting at low levels helps understand why the bribe prices discovered using the difference-in-means estimations are relatively low on average. It may be that bribe requests are low because those requesting bribes understand that by asking for too much the risk of denunciation increases.[32] Consequently, bribe requests are targeted below a level at which there is a low probability of reporting.

[32.] According to Viet Nam's Penal Code (revised in 2009) (Law No. 37/2009/QH12), public officials and civil servants taking bribes valued at 2,000,000VND or higher while performing public office are subjected to prosecution.

2.7. CONCLUDING REMARKS

In this chapter, a cutting-edge survey technique was used to estimate the frequency and size of bribe requests in three areas that are critical to the lives of Vietnamese citizens: i) land access; ii) access to medical services; and iii) access to primary education. This is a pioneering and novel approach applied in surveys on citizens' direct experience with bribery in Viet Nam.

In all three cases, there is evidence that bribe requests impact a significant portion of citizens and that the amounts paid are substantial when compared to the costs of other activities related to accessing those services. Conservatively, it is estimated that 17% of citizens pay bribes of about 123,000 VND per application to obtain a LURC, 10% of citizens pay 37,000 VND per patient per visit at a district hospital, and the average cost of bribes in primary education is about 98,000 VND per student per semester. These estimates constitute the lower bound of bribery in Viet Nam.

A more speculative statistical approach estimates an upper bound of 57% of citizens paying bribes (of 818,000 VND on average) for a LURC, 48% of citizens pay bribes (of 146,000 VND) at a district public hospital, and educational corruption affects about 18% of citizens, who pay 572,000 VND for better quality of primary educational services.

Even these upper bounds do not capture the true cost of corruption to society, because they do not take into consideration the impact of corruption on those who refuse or cannot afford to pay bribes. These unfortunate citizens: i) are less likely to have adequate title to their property, which affects their ability to start and grow small businesses; ii) receive inadequate health care, which influences their livelihoods and the health prospects of their children; and, iii) are shut out of educational opportunities after primary education, which will affect downstream career advancement and wealth. It is these indirect effects of activities that should be more important to the country's policy-makers, as they are evidence of an unfair playing field that will have far reaching consequences for the country's economic growth and political development.

Finally, this chapter analyzed the willingness of citizens to report corruption, reaching two conclusions. First, a significant amount of corruption goes unreported, either because denunciation is too costly or citizens do not trust the procedures that are in place to protect them. Secondly, there is a high level of societal tolerance for small amount of bribery, which may indicate that citizens are initiating the practice in order to circumvent burdensome procedures and under the expectation to improve their access to public services.

Chapter 3

PROVINCIAL PERFORMANCE IN 2012

This chapter provides a detailed breakdown of the indicators that comprise each dimension of PAPI, including: (i) participation at local levels; (ii) transparency; (iii) vertical accountability; (iv) control of corruption; (v) public administrative procedures; and (vi) public service delivery. It will also show how each province performs on these indicators. Finally, the chapter will show change in PAPI scores this year compared with previous rounds.

The dimensions are presented separately for ease of assessment. Each dimension in PAPI is comprised of several sub-dimensions, which are in turn based on several indicators. The individual indicators are essentially questions from the PAPI survey. To make the reported statistics as useful and transparent as possible, the results are displayed in two ways. First, each of the indicators in their raw form are included so readers are aware of each question that makes up each sub-dimension. Second, the index scores for each dimension and sub-dimension are displayed, which are normalized values of the individual indicators. The PAPI index measures allow readers to take a broader view of the results. To construct the PAPI index, each dimension is normalized on a one-to-ten scale, where one is poor and ten is perfect. The total index is essentially an average of the various normalized dimensions that make up the index.

In terms of displaying the sub-dimensions, the maximum value of these depend on the overall number of sub-dimensions in a dimension. As the highest possible score for any given dimension as a whole is 10 and the lowest is 1, a dimension with four sub-dimensions the highest possible score for each sub-dimension is 2.5 (one fourth of 10), and the lowest possible score is 0.25 for each of the four sub-dimensions. In a dimension with three sub-dimensions, the scale ranges from 0.33 to 3.33, respectively for each sub-dimension. The final composite of PAPI represents the sum of the six dimensions. As such, the scales range from 6 (lowest possible score) to 60 points (maximum possible score).

3.1. DIMENSION 1: PARTICIPATION AT LOCAL LEVELS

Map 3.1: Provincial Performance in Participation by Quartiles

Dimension 1:
Participation at Local Levels 2012

Legend

Participation at Local Levels

- Best Performers
- High Average
- Low Average
- Poor Performers

PAPI uses four sub-dimensions to assess citizen participation at the local level. The first sub-dimension, "civic knowledge", investigates citizen knowledge of political life and awareness of their right to participate in communal affairs. The second sub-dimension, "participation opportunities", measures citizen's ability to take part in elections at different levels. The "quality of elections" of village head is the subject of the third sub-dimension. Finally, the fourth sub-dimension, "contributions", looks at monitoring and management of people's voluntary contributions as a form of participation at the communal level. Figure 3.1a shows the local government's overall performance in creating opportunities for citizens to participate at the local level.

Similar to 2011 findings, there are significant gaps between the best performing group and the group at the bottom. Binh Dinh, Thai Binh, Binh Phuoc, Ha Nam and Ha Tinh are the top 5 provinces with total scores between 6.18 and 5.98. Among them, only Binh Dinh was a top ranking province in participation in 2011. The others have shown substantial improvement.

Dak Lak, Dong Thap, Phu Yen, Bac Lieu and Ca Mau form the bottom five, scoring from 4.17 to 4.54. Interestingly, this group is consistent. In 2011, Phu Yen, Bac Lieu and Ca Mau belonged to the bottom five as well, while Dak Lak and Dong Thap were in the lowest third. The 2012 national mean is 5.16, slightly lower than the 2011 score of 5.3.

Similar to last year, the "opportunities for participation" sub-dimension was the highest with a national mean of 1.82 out of 2.25. This is slightly below last year's score of 1.88. It was followed by "quality of village elections" with a national mean of 1.47, consistent with 1.45 in 2011. "Civic knowledge" presents an average score of 1.06 (1.11 in 2011), while "voluntary contributions" remains the weakest sub-dimension with a national mean of 0.81, compared to 0.85 in 2011.

The full list of indicators used to construct the participation dimension is shown in Table 3.1. For each indicator, the table provides the national mean, its 95% confidence interval, and the 2011 national mean. The maximum, median, and minimum provincial totals are also displayed.

Map 3.1 is a visual presentation of how the provinces performed on this dimensions. The provinces are broken down into four groups. The blue coloured provinces form to the best performing group (75th percentile), the yellow ones are in the poorest performing group (25th percentile), and the green and orange coloured ones are the high average and low average groups, respectively.

In 2012, the top performers include the following provinces: Binh Dinh, Thai Binh, Binh Phuoc, Ha Nam, Ha Tinh, Lao Cai, Phu Tho, Can Tho, Bac Giang, Bac Ninh, Quang Binh, Bac Kan, Hung Yen, Lam Dong, Thai Nguyen and Hoa Binh. At the other end of the scale, the low average group includes Binh Thuan, Hau Giang, Long An, Ninh Binh, HCMC, Dong Nai, An Giang, Khanh Hoa, Dien Bien, Soc Trang, Lai Chau, Ca Mau, Bac Lieu, Phu Yen, Dong Thap, Dak Lak. The remaining provinces, the high and low averaged, are tightly clustered, with very small differences in scores, ranging from 5.0 to 5.6.

Figure 3.1b gives an interesting year-to-year comparison on participation. Compared to 2011, in 2012 about half of the provinces experienced an improvement, while the other half experienced a reduction in scores. On the positive side, Thai Binh, Tay Ninh and Binh Thuan all improved by 15% or more. In term of cities, Da Nang and Hai Phong both improved their scores by about 3.5%, while Ha Noi and Ho Chi Minh City dropped by 4.4% and 8%, respectively. Other provinces suffering reversals were Ben Tre, Son La, Dak Lak, Dong Thap and Lang Son, which declined by between 14.3% and 20.6%. The remainder of the roughly 30 provinces stayed more or less constant with movements of less than 5% in either direction.

Figure 3.1a: Participation at the Local Levels (Dimension 1)
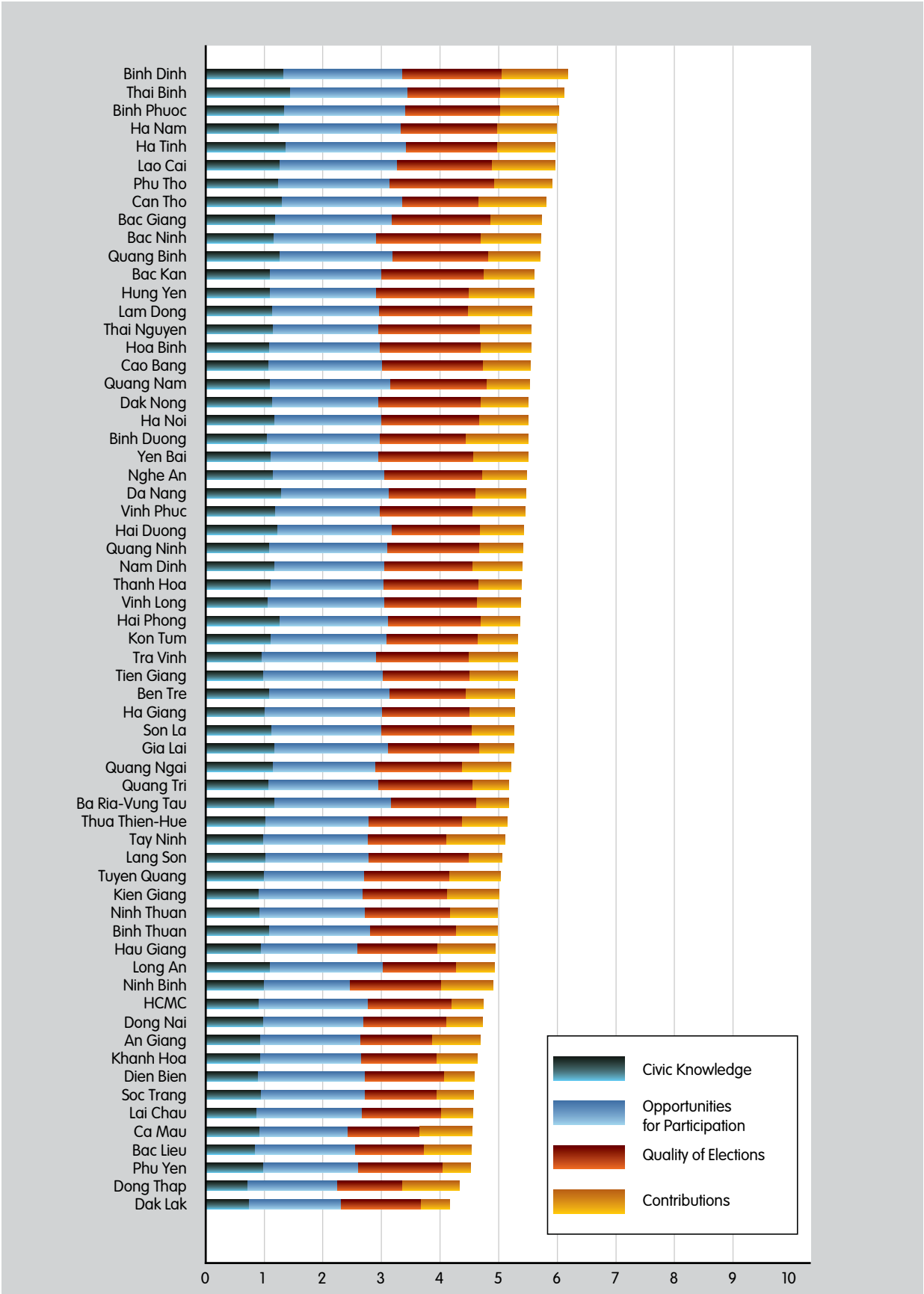
Figure 3.1b: Year-on-Year Changes in Participation (2011-2012)

Province	Percentage change 2011-2012
Tay Ninh	16.17
Binh Thuan	15.16
Thai Binh	14.74
Tien Giang	13.64
Ha Nam	11.87
Binh Phuoc	11.05
Hung Yen	9.62
Binh Duong	8.32
Ha Giang	8.27
Lao Cai	7.45
Yen Bai	6.74
Ha Tinh	5.97
Lam Dong	5.89
Binh Dinh	5.17
Thai Nguyen	5.13
Cao Bang	4.35
Phu Tho	4.31
Quang Nam	3.80
Hai Phong	3.59
Da Nang	3.55
Quang Ngai	3.08
Vinh Long	2.63
Bac Giang	1.93
Can Tho	1.71
Nghe An	1.52
Kon Tum	1.47
Tra Vinh	1.02
Ninh Binh	0.71
Nam Dinh	0.37
Bac Kan	0.10
Vinh Phuc	-0.03
Hau Giang	-0.38
Ninh Thuan	-1.50
Kien Giang	-1.57
Quang Ninh	-1.79
Bac Lieu	-2.04
Thanh Hoa	-2.76
Tuyen Quang	-3.60
An Giang	-3.67
Bac Ninh	-3.74
Dak Nong	-3.75
Gia Lai	-3.83
Hai Duong	-4.34
Ha Noi	-4.44
Phu Yen	-4.74
Dien Bien	-5.06
Ca Mau	-5.42
Soc Trang	-6.56
HCMC	-7.79
Ben Tre	-8.68
Quang Binh	-9.29
Hoa Binh	-9.73
Thua Thien-Hue	-10.21
Lai Chau	-11.69
Quang Tri	-12.04
Ba Ria-Vung Tau	-13.34
Dong Nai	-13.35
Khanh Hoa	-13.44
Long An	-14.30
Lang Son	-15.66
Dong Thap	-16.19
Dak Lak	-18.11
Son La	-20.61

Table 3.1: List of indicators used in Dimension 1 (Participation at Local Levels)

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
Total Dimension	**Dimension 1: Participation at Local Levels**		**1**	**10**	**5.30**	**5.16**	**5.09**	**5.23**	**Minimum** **Median** **Maximum**	**4.17** **5.34** **6.19**	***Dak Lak*** ***Kon Tum*** ***Binh Dinh***
Sub-Dimension 1	*Civic Knowledge*		*0.25*	*2.5*	*1.11*	*1.06*	*1.03*	*1.09*	*Minimum* *Median* *Maximum*	*0.73* *1.10* *1.44*	*Dong Thap* *Long An* *Thai Binh*
Sub-Dimension 2	*Opportunities for Participation*		*0.25*	*2.5*	*1.88*	*1.82*	*1.79*	*1.85*	*Minimum* *Median* *Maximum*	*1.46* *1.86* *2.08*	*Ninh Binh* *HCMC* *Ha Nam*
Sub-Dimension 3	*Quality of Elections*		*0.25*	*2.5*	*1.45*	*1.47*	*1.44*	*1.49*	*Minimum* *Median* *Maximum*	*1.11* *1.55* *1.80*	*Dong Thap* *Kon Tum* *Phu Tho*
Sub-Dimension 4	*Voluntary Contributions*		*0.25*	*2.5*	*0.85*	*0.81*	*0.79*	*0.84*	*Minimum* *Median* *Maximum*	*0.49* *0.82* *1.16*	*Dak Lak* *Tien Giang* *Can Tho*
S1. Civic Knowledge	Civic Knowledge	d101a, d101b, d101d	0	3	1.76	1.56	1.52	1.59	Minimum Median Maximum	1.04 1.62 2.04	Dak Lak Ha Noi Thai Binh
S1. Civic Knowledge	Knows Grassroots Democracy Decree (%)	d102a	0%	100%	34.14%	30.42%	27.69%	33.14%	Minimum Median Maximum	2.76% 32.07% 53.73%	Dong Thap Tien Giang Dak Nong
S1. Civic Knowledge	Knows People Know, People Decide (%)	d102b	0%	100%	64.66%	67.51%	64.30%	70.72%	Minimum Median Maximum	33.84% 72.85% 98.35%	Dong Thap Cao Bang Thai Binh
S1. Civic Knowledge	Correct Term Limit of 2.5 Years (%)	d108	0%	100%	6.97%	7.26%	5.89%	8.64%	Minimum Median Maximum	0.40% 5.45% 34.89%	Ha Giang Binh Thuan Can Tho
S2. Opportunities for Participation	Voted in Last Commune People's Council Election (%)	d101b1	0%	100%	70.57%	65.29%	62.84%	67.75%	Minimum Median Maximum	41.32% 65.85% 84.07%	Da Nang Gia Lai Ha Nam
S2. Opportunities for Participation	Voted in Last National Assembly Election (%)	d101d1	0%	100%	65.94%	55.66%	53.45%	57.87%	Minimum Median Maximum	24.52% 57.52% 79.54%	Ninh Binh TT-Hue Hai Phong
S2. Opportunities for Participation	Village Chief Elected (%)	d103a	0%	100%	83.38%	85.57%	83.74%	87.39%	Minimum Median Maximum	61.95% 89.13% 99.55%	Dong Thap Hai Duong Phu Tho
S2. Opportunities for Participation	Participated in Election (%)	d107	0%	100%	69.25%	72.87%	70.32%	75.43%	Minimum Median Maximum	43.87% 71.49% 95.47%	Ninh Binh Bac Ninh Lai Chau
S3. Quality of Elections	More than 1 Candidate (%)	d105	0%	100%	51.50%	52.27%	49.36%	55.17%	Minimum Median Maximum	20.64% 56.97% 85.78%	Dong Thap Kon Tum Quang Tri

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
S3. Quality of Elections	Invited to Participate (%)	d106	0%	100%	57.72%	58.38%	55.42%	61.34%	Minimum	26.08%	Dong Thap
									Median	63.58%	Kon Tum
									Maximum	85.84%	Quang Tri
S3. Quality of Elections	Paper ballot was used (%)	d107a	0%	100%	86.47%	89.15%	86.67%	91.63%	Minimum	15.96%	Da Nang
									Median	87.82%	Phu Tho
									Maximum	100%	Ca Mau
S 3. Quality of Elections	Votes were counted publicly (%)	d107d	0%	100%	60.28%	63.63%	59.68%	67.58%	Minimum	26.06%	Tra Vinh
									Median	79.73%	TT-Hue
									Maximum	99.94%	Yen Bai
S 3. Quality of Elections	Candidate Was Suggested (%)	d107b	0%	100%	42.93%	47.92%	40.43%	55.41%	Minimum	0.00%	Da Nang
									Median	49.59%	Kien Giang
									Maximum	100%	An Giang
S 3. Quality of Elections	Voted for Winner	d107c	Min	Max	90.74%	88.66%	86.60%	90.72%	Minimum	54.36%	Tra Vinh
									Median	92.78%	Binh Thuan
									Maximum	100%	Nam Dinh
S 4. Voluntary Contributions	Voluntary Contribution to Project (%)	d109ba	0%	100%	47.90%	47.28%	43.24%	51.32%	Minimum	8.66%	Son La
									Median	42.72%	Hai Phong
									Maximum	85.10%	Bac Ninh
S 4. Voluntary Contributions	Community Monitoring Board Monitors Contribution (%)	d109bb	0%	100%	10.97%	8.56%	6.72%	10.40%	Minimum	0.00%	Bac Kan
									Median	5.65%	Dong Nai
									Maximum	28.89%	Hung Yen
S 4. Voluntary Contributions	Voluntary Contribution Recorded (%)	d109bc	0%	100%	69.94%	71.12%	67.40%	74.84%	Minimum	36.02%	BRVT
									Median	75.00%	Long An
									Maximum	98.79%	Quang Binh
S 4. Voluntary Contributions	Participated in Decision Making to Start Project (%)	d109bd	0%	100%	34.42%	37.29%	33.44%	41.15%	Minimum	9.28%	Lai Chau
									Median	36.48%	Hoa Binh
									Maximum	82.88%	Ha Tinh
S 4. Voluntary Contributions	Provided Input to Project Design (%)	d109be	0%	100%	21.91%	22.78%	19.99%	25.57%	Minimum	4.61%	Dong Thap
									Median	22.54%	Quang Tri
									Maximum	58.97%	Son La

(*) Min=Sample Minimum; Max= Sample Maximum

Civic Knowledge

The first indicator of this sub-dimension asks respondents if in the past five years elections to the following offices took place: (i) Chairman of commune/ward People's Committee, (ii) member of commune/ward People's Council and (iii) provincial representatives to the National Assembly. The national average is 1.06 out of a possible three correct answers (a "No" for the first question, and a "Yes" for the other two). This is a significant decline from 1.11 in 2011. The reason might be that in 2011 the elections were still fresh so that more people remember the correct answers. The best province in this indicator is Thai Binh (2.04), about 15% lower than the best of last year (Dong Nai with 2.3). Dak Lak has the lowest score with 1.04, lower than 2011 lowest score by Tay Ninh with 1.15.

The next indicator investigates people's awareness of the Grassroots Democracy Ordinance (GRDO), the legal framework outlining mechanisms to channel participation at the local level. Compared to last year's

34.14% mean score, this year only 30.40% of respondents confirmed their knowledge about the official decree. Both the maximum score (Dak Nong, 53.7%) and the minimum score (Dong Thap, 2.76%) are significantly lower than scores in 2011 (63.62% in Quang Binh and 11.75% in Soc Trang).

In contrast, the phrase "People know, people discuss, people do, people verify", a popular formulation of the GRDO, is known by 67.51%, a similar level to 64.66% in 2011. In the best province, Thai Binh, the phrase is known to almost all respondents, while at the bottom end, Dong Thap has one third of its respondents confirming their awareness. Again, this confirms that in a country with a predominantly rural population with low education levels such as Viet Nam, it is important to package information in an appropriate way to raise people's awareness of their rights.

Another indicator asks respondents about their knowledge on the duration of the term for the village/residential group heads, which is 2.5 years. At the national level, there is no large difference over time. The scores were 7.26% of 2012 compared to about 6.97% in 2011. Can Tho has the best score of 34.89%, similar to 30% in Son La last year. In Ha Giang province, virtually nobody could answer correctly. This is very consistent and is a powerful indicator about the relevance of the position of the village head.

Overall, the national level of the sub-dimension is 1.06 out of 2.5, a bit lower than 1.11 of 2011. Thai Binh performs the best with the highest estimated score of 1.44, while Dong Thap has the lowest score of 0.73.

Opportunities for Participation

This sub-dimension looks at citizen participation levels in various elections in Viet Nam, namely elections for People's Council, National Assembly, and the village heads. The time span for citizens to recall of the most recent election is five years.

At the national level the rates of participation in People's Council and National Assembly elections are 65.29% and 55.66%, respectively. These mean scores decline from 71% and 66% in 2011. As both these elections last occurred in 2011, the decline can be explained by the fact that people had a better memory when the elections were still fresh. In terms of

Commune People's Council elections, as high as 84.07% of citizens in Ha Nam participated, while only 41.32% of citizens in Da Nang did so. Interestingly, as for the National Assembly election, Hai Phong is the top performer with 79.54% of people reporting participation, while in Ninh Binh it was only 25.5%. As already pointed out in the PAPI 2011 report, these rates are much lower than rates published in the media.[33] One possible reason is the practice of proxy voting, which allows a member of the household to vote on behalf of other household members.

Regarding participation levels at village head elections, 85.57% of respondents nationwide confirmed that their village head was appointed through an election (as opposed to being appointed by the commune government or the party cell). This is consistent with 83.38% of 2011. Phu Tho is the top province with 99.55% confirming the proper way to elect their village head, while it was 61.9% in Dong Thap.

Nationwide, 72.87% of respondents participated in the most recent village head election, a similar level to 2011. In Lai Chau, 95.47% of citizens participated, while the minimum score belongs to Ninh Binh with 43.87%.

Similar to 2011 results, this sub-dimension is the strongest one among the four participation sub-dimensions. The national mean is 1.82 out of 2.25 compared to 1.88 of 2011. The northern province of Ha Nam is the leading province with a score of 2.08, while Ninh Binh has the lowest score of 1.46.

Quality of Village Elections

This sub-dimension deals with various aspects related to the quality of village head elections. At the national level, 58.4% of respondents said they were invited to the most recent village head election, consistent with 57.7% of 2011. Quang Tri has the highest invitation rate of 85.78%, while it was only 26% in Dong Thap.

Highly consistent with 2011 findings, slightly over 50% of respondents say that their election had more than one candidate, which is required by the Grassroots Democracy Ordinance. In Quang Tri, 85.78% reported

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33. See National Assembly XIII Plenum Election Council (18/07/2011).

these elections had at least two candidates At the other end of the scale, in Dong Thap only one-fifth of respondents confirmed that their elections had more than one candidate.

Related to the availability of candidates, about 47.9% of respondents nationwide confirmed that they received some suggestions about which candidate to vote for, a number similar to 43% of 2011. This practice seems to be common in the southern province of An Giang (100%), while it is virtually non-existent in central Da Nang.

While the selection of candidates are problematic in half of the cases, the election procedures seems to be largely correct. Nationwide, 89.15% of the respondents said paper ballots were used in village elections, a practice better than show of hands, compared to 87% in 2011. As in 2011, Da Nang held the bottom position with 16%, while Ca Mau was the best performer with 100%. In 2012, 63.63% of respondents said the votes were counted publicly, which is similar to the 60% reported in 2011. There is a large difference between provinces, with Yen Bai on top (99.94%) and Tra Vinh being the worst performer (26%).

Given the previous indicator, it is probably not surprising that the village head elections are by no means competitive. Nationally, 89.15% of respondents said that they voted for the winner, compared to 90.74% last year. The picture is more differentiated in Tra Vinh, with only 54% voting for the winner, while half the provinces have a score of above 92.7%.

Overall, the sub-dimension has a national mean of 1.47 out of 2.25, which means no real development over last year's score of 1.45. All provinces converge around the score range from 1.1 (Dong Thap) to 1.8 (Phu Tho).

Voluntary Contributions

This sub-dimension assesses citizen contributions to public projects in their community. It does so by first looking at the share of citizens who in the last 12 months voluntarily made a monetary, labour, or in-kind contribution in their village. There is no change in the national level averages, with 47.28% who performed one of these acts saying they did so voluntarily in 2012 compared with 47.9% of 2011. This means that over 50% of people contributed due to

some pressure, from either the authorities or the village head. This form of informal taxation is highest in Son La where only 8.6% volunteered. In contrast, in Bac Ninh 85.1% of the people contributing did so without experiencing any pressure. These numbers are also consistent to the ones in 2011.

Nationally, 71.12% of respondents say their contributions are recorded in the communal book keeping systems, consistent with about 70% of last year. The large difference between provinces remains. In Quang Binh, the book keeping was confirmed by almost 99% of respondents, while in Ba Ria Vung Tau only 36% of people said so.

About 37.29% of respondents nationwide confirmed that they participated in the decision making process of the project which they voluntarily contributed to. This is about 3% higher than in 2011. This is still a low score given the legal framework that states that citizens must participate in these decisions. Like in 2011, the variation of the indicator is huge. While in Lai Chau only 9.2% participated, the number is 82.88% in Ha Tinh province. The number of people providing inputs to the project's design is 22.78%. The lowest level of design input is found in Dong Thap with 4.6%.

According to the GRDO, public projects with people's voluntary contribution should be monitored by the Community Investment Supervision Boards or the People's Inspection Boards in order to make sure contributions are used correctly and without waste or misuse. While in 2011 only one-tenth of respondents confirmed that this was the case, this year the number dropped to 8.56%. Most people believe that monitoring is done by local authorities, the village head, or simply by nobody. In Hung Yen, the best performer, only 28.89% of respondents confirmed that one of these institutions oversaw the projects. In half the country, the figure was below 5%, and in Bac Kan province none confirmed this. This is another indicator that while in theory all communes have Community Investment Supervision Boards or the People's Inspection Boards established, their work in practice has a lot of room for improvement.

Overall, this sub-dimension remains the weakest of the four. The national mean is only 0.81 out of 2.25, slightly lower than 0.85 in 2011. Can Tho is the best performing province with 1.16, while Dak Lak's score is 0.49.

3.2. DIMENSION 2: TRANSPARENCY

Map 3.2: Provincial Performance in Transparency by Quartiles

Dimension 2:
Transparency at Local Decision-making 2012

Legend

Participation at Local Decision-making

- Best Performers
- High Average
- Low Average
- Poor Performers
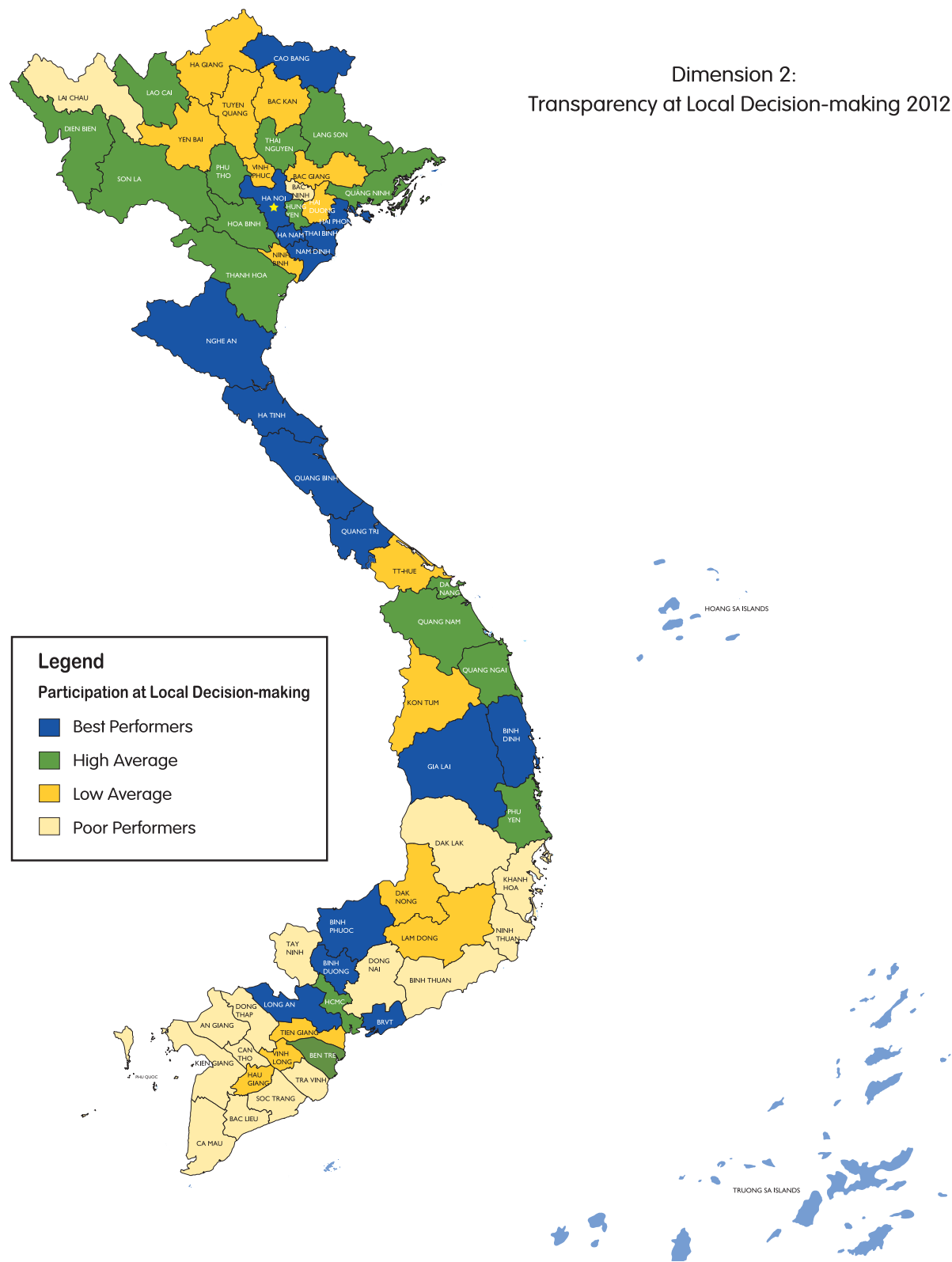
PAPI uses the framework of the Grassroots Democracy Ordinance (GRDO), especially the aspects related to the "rights to know" as the basis for assessing transparency. The three sub-dimensions that make up this dimension are those that are relevant to people's lives and are required by the law to be made transparent by the local government. They include transparency in (i) the poor household lists; (ii) the annual communal budgets; and (iii) communal land use plans.

Figure 3.2a shows the overall performance of all provinces. Overall, provinces perform better in this dimension than in participation. The lowest scores are over 4.5, while the best provinces are close to 7.0. The top 5 provinces of Quang Binh, Quang Tri, Thai Binh, Ha Nam and Nam Dinh are interestingly all in North Central and North Viet Nam. Among them, Ha Nam and Nam Dinh have made large improvements since 2011.

The bottom five are the southern provinces of Tra Vinh, Binh Thuan, Bac Lieu, Kien Giang, and Dak Lak, with scores ranging from 4.55 to 4.92. Of these, Tra Vinh, Binh Thuan, Bac Lieu and Kien Giang were also in the bottom group in 2011, while Dak Lak's performance declined significantly from a mean position in 2011. The national mean of the dimension is 5.61, slightly higher than 5.47 in 2011. Hung Yen has the median score of 5.78.

As was the case in 2011, provinces performed best on the first bar, which indicates that provinces do a better job in making poor household lists public. This sub-dimension has a national mean of 2.33 out of 3.33, compared to 2.15 in 2011. It is significantly higher than the transparency level of land use plans, which has a national mean of 1.61, slightly higher than 2011 score of 1.56. The communal budget transparency sub-

dimension remains virtually unchanged at 1.77 out of 2.33, compared to 1.76 in 2011.

A different view of the provinces is shown in Map 3.2, where provinces are grouped into four different levels of performance. Blue represents the top 25th percentile, while yellow represents the poorest performing provinces. Orange provinces are in the high average group, and green ones are in the low average group.

Figure 3.2b gives an overview of the provinces' development year-to-year change in this dimension. Nineteen provinces showed an improvement of 10% and more. The large improvement among these provinces is a positive development. In particular Ha Nam, Lam Dong, Phu Yen, Phu Tho, Tien Giang, with increases of more than 20%, featured the greatest improvements. At the other end of the spectrum, the scores of one-third of the provinces declined. The biggest declines occurred in Son La, Khanh Hoa, Tra Vinh and Dak Lak, with drops of 9.7% to 15.2%. Ho Chi Minh City's score declined about 3.45%, while Ha Noi improved its score by 4.49%.

Table 3.2 shows the list of indicators used to construct the dimension and its sub-dimension. The first three columns show the name of the sub-dimension, the indicator's name and the corresponding question or questions in the questionnaires. Next are the columns with the 2011 and 2012 national mean, together with its 95% confidence interval. Finally, the province with the maximum, minimum and the median score are provided for comparative purposes.

Figure 3.2a: Transparency (Dimension 2)

Legend:
- Poverty Lists
- Communal Budgets
- Land-Use Plan/Pricing
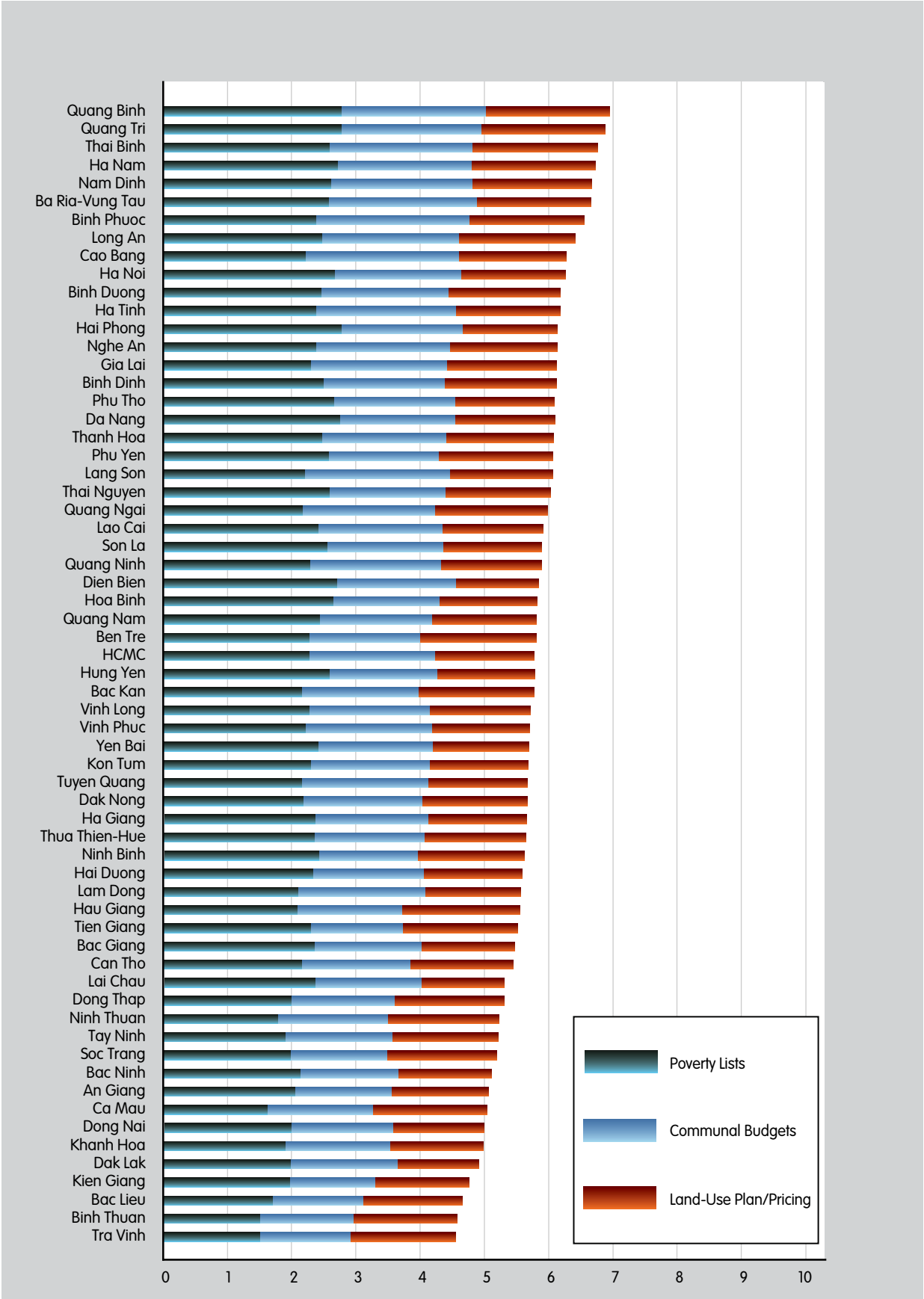
Figure 3.2b: Year-on-year Changes for Transparency (2011-2012)

Province	Percentage change 2011-2012
Tien Giang	24.65
Phu Tho	21.67
Phu Yen	21.00
Lam Dong	20.86
Ha Nam	20.72
Ha Giang	17.30
Thai Binh	15.85
Hau Giang	15.80
Hai Phong	15.62
Hung Yen	15.00
Cao Bang	13.84
Binh Duong	12.94
Quang Ngai	12.91
Quang Tri	12.82
Ninh Thuan	12.69
Vinh Long	12.63
Tay Ninh	12.60
Da Nang	11.88
Kon Tum	10.14
Quang Binh	9.42
Binh Phuoc	8.81
Ninh Binh	7.65
Binh Dinh	7.65
Vinh Phuc	6.34
Quang Ninh	6.02
Soc Trang	5.66
Lai Chau	4.50
Ha Noi	4.49
Long An	4.47
Nghe An	3.27
Tuyen Quang	2.42
An Giang	2.38
Dien Bien	2.19
Thanh Hoa	2.14
Gia Lai	2.03
Quang Nam	1.83
Thai Nguyen	1.46
Lao Cai	1.40
Nam Dinh	0.37
Kien Giang	0.20
Bac Kan	0.02
Bac Giang	-0.20
Bac Lieu	-0.41
Can Tho	-0.69
Ben Tre	-2.11
Ba Ria-Vung Tau	-2.64
Hoa Binh	-2.65
Dong Thap	-3.04
HCMC	-3.45
Bac Ninh	-3.47
Dak Nong	-3.77
Thua Thien-Hue	-3.90
Lang Son	-4.87
Hai Duong	-5.11
Yen Bai	-5.75
Binh Thuan	-6.13
Dong Nai	-7.15
Ca Mau	-7.51
Ha Tinh	-7.51
Son La	-9.71
Khanh Hoa	-9.98
Tra Vinh	-14.84
Dak Lak	-15.19

Table 3.2: List of indicators used in Dimension 2 (Transparency)

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
Total Dimension	**Dimension 2: Transparency of Local Decision-Making**		**1**	**10**	**5.47**	**5.61**	**5.52**	**5.69**	**Minimum** **Median** **Maximum**	**4.56** **5.78** **6.95**	**Tra Vinh** **Hung Yen** **Quang Binh**
Sub-Dimension 1	*Poverty Lists*		*0.33*	*3.3*	*2.15*	*2.23*	*2.19*	*2.28*	*Minimum* *Median* *Maximum*	*1.51* *2.34* *2.79*	*Binh Thuan* *Hai Duong* *Quang Binh*
Sub-Dimension 2	*Communal Budgets*		*0.33*	*3.3*	*1.76*	*1.77*	*1.73*	*1.81*	*Minimum* *Median* *Maximum*	*1.33* *1.80* *2.39*	*Kien Giang* *Bac Kan* *Binh Phuoc*
Sub-Dimension 3	*Land-Use Plan/Pricing*		*0.34*	*3.4*	*1.56*	*1.61*	*1.58*	*1.63*	*Minimum* *Median* *Maximum*	*1.26* *1.61* *1.94*	*Dak Lak* *Ha Tinh* *Thai Binh*
S1.Poverty Lists	Poverty List Published in Last 12 Months	d202	0%	100%	53.55%	58.26%	55.03%	61.50%	Minimum Median Maximum	31.90% 64.17% 94.69%	Tra Vinh Hai Phong Quang Binh
S1.Poverty Lists	Type 1 Errors on Poverty List (% Agree)	d202a	0%	100%	39.85%	37.04%	34.42%	39.66%	Minimum Median Maximum	8.12% 34.01% 73.55%	Dien Bien Thai Binh Binh Thuan
S1.Poverty Lists	Type 2 Errors on Poverty List (% Agree)	d202b	0%	100%	34.66%	34.11%	31.52%	36.71%	Minimum Median Maximum	6.30% 34.39% 68.79%	Hai Phong Dong Nai Binh Thuan
S2. Communal Budgets	Communal Budget is Made Available (%)	d203	0%	100%	29.80%	34.12%	31.31%	36.94%	Minimum Median Maximum	10.19% 38.95% 81.73%	An Giang TT-Hue Thai Binh
S2. Communal Budgets	Respondent Read Communal Budget (%)	d203a	0%	100%	37.38%	34.07%	30.36%	37.77%	Minimum Median Maximum	8.75% 32.00% 76.43%	Ninh Binh Ha Giang Quang Ninh
S2. Communal Budgets	Believe in Accuracy of Budget (%)	d203b	0%	100%	69.66%	73.34%	70.41%	76.26%	Minimum Median Maximum	33.26% 74.39% 96.89%	Tra Vinh Binh Phuoc Vinh Long
S3. Land-Use Plan/Pricing	Aware of Communal Land Plans (%)	d204	0%	100%	19.99%	19.61%	17.34%	21.88%	Minimum Median Maximum	4.10% 19.07% 48.22%	Tra Vinh Vinh Long Ha Nam
S3. Land-Use Plan/Pricing	Comment on Communal Land Plans (%)	d205	0%	100%	6.19%	6.49%	5.43%	7.56%	Minimum Median Maximum	0.41% 6.17% 26.40%	Tra Vinh Khanh Hoa Ha Nam
S3. Land-Use Plan/Pricing	Land Plan Acknowledges Your Concerns (%)	d205a	0%	100%	81.12%	82.65%	75.89%	89.41%	Minimum Median Maximum	19.66% 90.13% 100%	Dak Lak Thai Binh Hau Giang

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
S3. Land-Use Plan/Pricing	Impact of Land Plan on Your Families (3=Beneficial)	d206	1	3	2.05	2.09	2.02	2.15	Minimum	1.75	Hai Phong
									Median	2.06	Long An
									Maximum	2.52	Dien Bien
S3. Land-Use Plan/Pricing	Did not lose land as a result of land plan	d207	0%	100%	71.38%	74.91%	72.80%	77.03%	Minimum	33.01%	Lai Chau
									Median	74.36%	Quang Nam
									Maximum	97.99%	Tra Vinh
S3. Land-Use Plan/Pricing	Compensation close to market value (%)	d207a	0%	100%	12.86%	17.96%	12.83%	23.10%	Minimum	0.00%	Dien Bien
									Median	12.19%	Lam Dong
									Maximum	71.57%	Thai Binh
S3. Land-Use Plan/Pricing	Informed of Land Usage (%)	d207c	0%	100%	93.12%	90.66%	86.37%	94.95%	Minimum	30.22%	Hai Duong
									Median	96.42%	Khanh Hoa
									Maximum	100%	Quang Binh
S3. Land-Use Plan/Pricing	Land use for original purpose (%)	d207d	0%	100%	85.40%	82.64%	78.17%	87.11%	Minimum	26.07%	Vinh Phuc
									Median	90.30%	Binh Thuan
									Maximum	100%	Phu Yen
S3. Land-Use Plan/Pricing	Know where to go to get land (%)	d208	0%	100%	38.25%	42.76%	40.18%	45.34%	Minimum	9.63%	Lai Chau
									Median	43.65%	Tien Giang
									Maximum	76.64%	Hai Phong

(*) Min=Sample Minimum; Max= Sample Maximum

Transparency in Lists of Poor Households

The transparency of poor household lists is important as qualifying for the list gives people access to a number of social benefits such as free college tuition or medical insurance. The sub-dimension has three indicators. The first one investigates if respondents were aware that the list of poor households had been published in the last 12 months, a requirement by the law. Nationwide, 58.26% of respondents confirmed this question, a 5% improvement compared to 2011. In Quang Binh, the best province in this regard, around 95% of respondents knew of the list, while in Tra Vinh, the weakest province, less than one-third of the people did.

Regarding the quality of the list, nationwide 37% of respondents attested that in their commune sometimes genuinely poor households are not included on the list. This represents a slight improvement compared to 39.8% of 2011. In Binh Thuan, the worst performing province, 73.5% of respondents said this issue existed, while this type of error was confirmed by around 8% in Dien Bien. Thai Binh has the median score of 34%.

The other issue that occurs is that sometimes non-poor households are included on the list, either due to personal contacts and relationships, in order to have access to social benefits designated for the poor. About 34% of respondents across Viet Nam confirmed the existence of the issue, which is consistent with 34.6% of 2011. Binh Thuan again is the most problematic province with 68.7%, while in Hai Phong only 6.3% of respondents said the problem existed.

Overall, as in 2011, this is the strongest sub-dimension among the three. The national mean is 2.23 out of 3.33, consistent with 2011 score of 2.15. Quang Binh did very well, reaching a score of 2.79 (although still significantly lower than the top province of 2011, Son La, with a remarkable 3.14). At the other end, Binh Thuan is the lowest performer with only 1.5.

Transparency in Communal Budgets

Open budgets at the commune's level are required by the GRDO and seen by the government, donors and civil society as an important tool for better governance. This sub-dimension investigates the degree to which this policy is implemented at the local level, as well as the quality of the published budget information.

Overall, about one-third of respondents are aware of the publication of the commune's budget, a 5% improvement compared to 2011. However, this is still very low, given both the importance of the matter and the fact that twice as many people are aware of the poor household lists. Thai Binh tops the list with 81.70%, significantly higher than the score of 67% in 2011. An Giang is the poorest performer at 10.20%.

The next issue regarding budget transparency is whether citizens have actually read them. Among the group of people who were aware of it, only one third had actually read it, a slight decline compared to 37.4% of 2011, furthering a downward trend from 51% in 2010. Publishing the budget will not benefit citizens if the information is not made attractive and easy to be understood so that people are motivated to read them. The number was as low as 8.7% in Ninh Binh, while in Quang Ninh, the best performer, two-thirds of people who were aware of the budget's existence read it.

The good news is that the vast majority of people, or 73.3% who made the effort to read the budget, believed the information was accurate. This is similar to the level of 70% reached in 2011. The gap between the provinces is huge, ranging from 96.89% in Vinh Long down to only 33.2% in Tra Vinh.

Overall, on transparency of communal budgets, the country shows consistent scores since 2011. In 2012 the national mean was 1.77, compared to 1.76 in 2011. This is only slightly more than half of the maximum possible score of 3.33 and far lower than the scores regarding poor household lists. Binh Phuoc scored best with 2.39, almost double Kien Giang, the worst performer with 1.33.

Transparency of Land Use Plans

Land use and land ownership are two of the most important issues in Viet Nam, particularly for rural citizens. Land management is one of the areas most prone to corruption, and complaints on land eviction and contentious compensation prices continue to feed into conflicts, which are becoming more violent, between citizens and local governments. Two major incidents in 2012 over land conflicts, Tien Lang in Hai Phong, and Van Giang in Hung Yen[34], serve as reminders of the importance of these issues.

Reflecting the importance of this issue, the land use sub-dimension is one of the most extensive and complex in PAPI, covering nine indicators. First, respondents are asked if they are aware that the land use plan has been published, as required by the GRDO. Across the country, only 19.6% of respondents confirmed this, indicating no change from the 2011 result. In Tra Vinh, only 4.1% knew about land use plans, while in Ha Nam, the best performer, the number was 48.2%. This range is similar to what was found in the in the 2011 and 2010 surveys.

Another issue is that the number of people who had a chance to provide comments on drafts of land use plans before they became official was very low. While this is a core element in the GRDO, it seems that it is rarely implemented in practice, with only 6.49% of respondents saying they were able to provide comments on it in 2012 – a level consistent with 2011. In Ha Nam, the best performer, one-fourth of the respondents said they were able to provide

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34. The Van Giang conflict is reported to have impacted 166 farmer families and had national significance. See Tuoi Tre Online (25/04/2012). Cưỡng chế thu hồi đất, tạm giữ 20 người, [Coercive Land Confiscation: 20 people temporarily arrested]. Available at http://tuoitre.vn/Chinh-tri-Xa-hoi/488813/cuong-che-thu-hoi-dat-tam-giu-20-nguoi.html. Both the Tien Lang and Van Giang cases happened some months before the 2012 field work.

comments, while the figure was close to zero in Tra Vinh. The inability to provide input into plans may certainly impact the level of conflict between citizens and officials.

One positive finding regarding land is that among those who did provide comments, most (82.65%) said that their comments were acknowledged. This is consistent with the rate of 81% found in 2011. The difference between provinces on this measure is significant. While half the provinces has score higher than 90% (the median value), and Hau Giang has the maximum possible 100%, the bottom performer, Dak Lak, only has a score of 19.6%.[35]

Compared to previous years, the impact of land use plans on household welfare is unchanged. The value "1" is assigned to respondents whose households had no impact, "2" to households with negative impacts, and "3" to households who benefit from the plan. The national mean is 2.09, compared to 2.05 in 2011, and 2.04 in 2010. In Dien Bien land use development benefited people the most (2.52), while Hai Phong had the lowest score of 1.75.

The next indicator asks whether or not people lost land as a result of the land use plan. Overall, 74.9% did not lose land, similar to the 71.4% reported in 2011. No impact is found in Tra Vinh (about 98% did not lose land), which is also the top performer of 2011. At the other end of the scale, in Lai Chau a staggering two-thirds of respondents reported land loss.

One of the most controversial issues is the compensation price people receive when their land is seized. In 2011, only 12.8% of respondents who lost their land said that their compensation price was close to the market value. This increased to 17.96% in 2012.

Still, this is low and if not resolved will continue to be a major source of dissatisfaction and complaints. Thai Binh performed best with 71.5% of respondents reporting a sufficient compensation price, while it was zero in Dien Bien provinces. In half the provinces, the result was less than 11%.

On the positive side, 90.6% of those whose land was revoked said that they were informed about the purpose of the land use, consistent to 2011 result of 93%. Quang Binh has the perfect score of 100%, while in Hai Duong only 30.2% of people were informed. Furthermore, 82.6% of respondents said the purpose of land use has not changed from what the original plan was, roughly the same level as 2011 (85%). The number is 100% for Phu Yen, while in Vinh Phuc only 26.1% confirmed this measure.

Finally, the last indicator assesses if people know where to turn to if they want to obtain information on official land prices. This is an important factor as it helps people to equip themselves with the information they need to prevent manipulation and abuse. Overall, 42.7% of people said they know where to go, a 4% increase from l2011 result. Hai Phong performs particularly well, with 76.6% of people responding that they know where to find information, while in Lai Chau, only 9.6% are sure about what to do.

In summary, the sub-dimension is the weakest one of the transparency dimension, with a national mean of only 1.61, less than half of the maximum possible score of 3.33. The country shows no significant improvement, with the 2011 score of 1.56. Thai Binh performs best with 1.94, defending its top position of 2011 when it had a score of 1.90. As the worst performer, Dak Lak had a score of 1.26.

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35. A note of caution: the numbers of people providing comments in provinces are small, sometimes below ten people, therefore the results should be treated with caution, as they may have a high degree of instability.

3.3. DIMENSION 3: VERTICAL ACCOUNTABILITY

Map 3.3: Provincial Performance in Vertical Accountability by Quartiles

Dimension 3:
Vertical Accountability 2012

Legend

Vertica Accountability

- Best Performers
- High Average
- Low Average
- Poor Performers
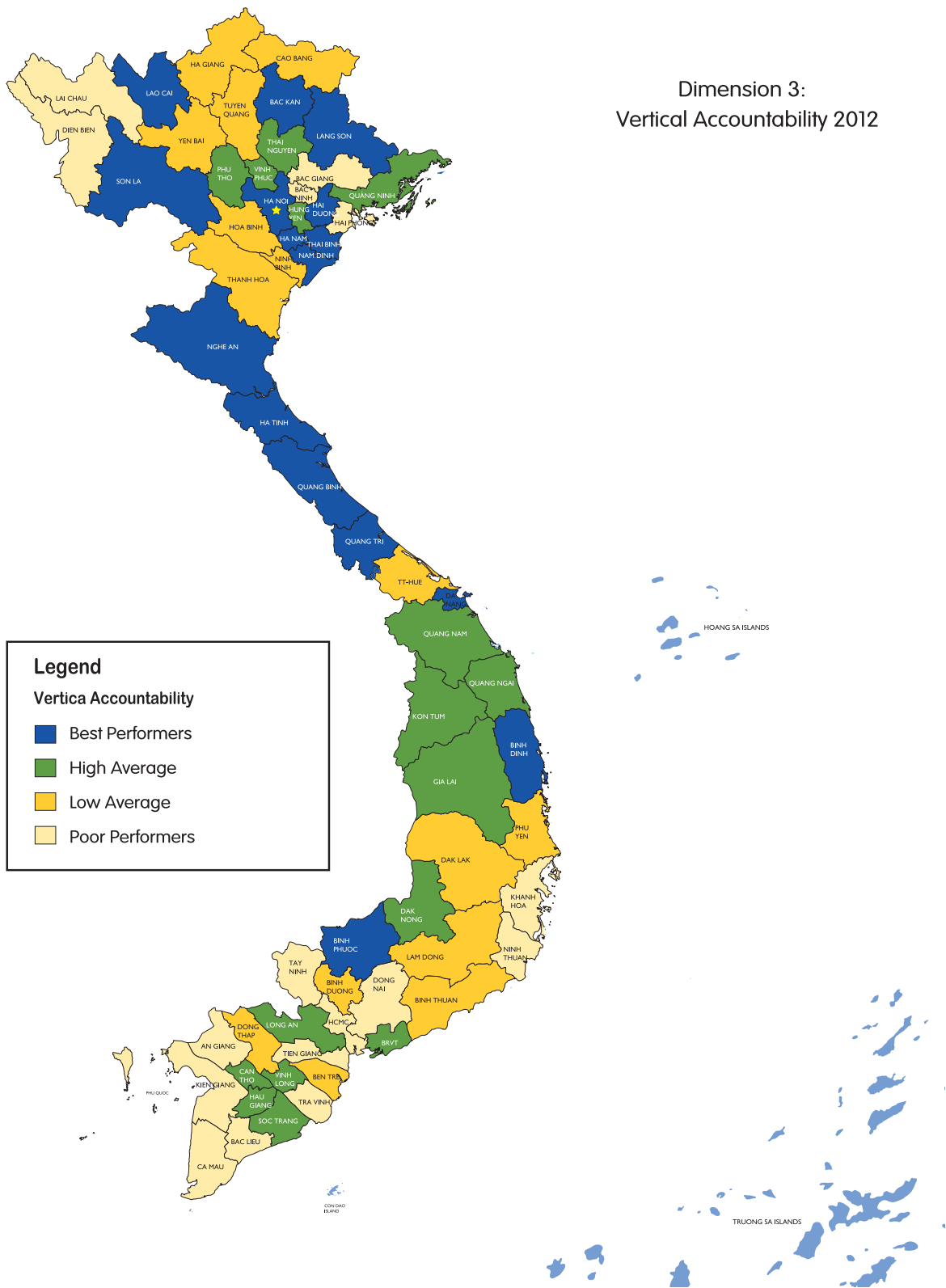
The concept of vertical accountability is operationalized in PAPI through three sub-dimensions: (i) citizen interactions with local authorities, (ii) People's Inspection Boards (PIBs) and (iii) Community Investment Supervision Boards (CISBs).

The first sub-dimension reflects the idea that the more opportunities citizens have to meet government officials to seek help for their problems, the more accountable government will be. The other two sub-dimensions deal with PIBs and CISBs, two key local mechanisms in Viet Nam aimed at insuring local level accountability.

The overall performance of provinces is shown in Figure 3.3a as a bar graph. The provinces occupy a range from 4.42 (Kien Giang) to 6.96 (Thai Binh), a similar range when compared to 2011 scores. The national mean is 5.58, not significantly higher than 2011 average of 5.50.

On average, the country has almost exactly the same levels of performance across the three sub-dimensions. The national mean for the three sub-dimensions are 1.88, 1.87 and 1.83, respectively.

The top five provinces in this dimension are Thai Binh, Quang Binh, Hai Duong, Nam Dinh and Quang Tri, with scores ranging from 6.61 to 6.96. Remarkably, Quang Binh, Quang Tri, Thai Binh and Nam Dinh also are among the top five in transparency. These four provinces were also among the top six in 2011 in

Vertical Accountability, showing a consistent level of high performance.

At the other end of the scale, Kien Giang, Khanh Hoa, Bac Lieu, An Giang and Tay Ninh are the five poorest performers, with scores from 4.42 to 5.11. Consistently, in 2011 all of them were in the bottom third. Additionally, in 2012, Kien Giang, Bac Lieu and Tra Vinh are also among the weakest five in transparency, indicating a strong correlation in performance on the two dimensions. Map 3.3 shows spatially how provinces performed on this dimension.

The year-on-year changes among the provinces in the dimension are shown in Figure 3.3b. Compared to 2011, about twenty provinces showed an improvement of 5% and higher. Cao Bang, Soc Trang, Hung Yen, Hai Phong and Hau Giang were the five with the largest improvement, from 15% to 9.4%. Ha Noi improved by a significant 6%, while Ho Chi Minh City's score declined 2%. In all, 20 provinces declined in their performance. The biggest declines were found in Kien Giang, Khanh Hoa, Hoa Binh, Quang Tri and Long An, with drops ranging from 16.5% to 8.0%.

Table 3.3 presents the complete list of indicators used in the dimension and its sub-dimensions, with the corresponding national mean and the 95% confidence intervals. Table 3.3 also identifies the best, the median, and the poorest performing provinces.

Figure 3.3a: Vertical Accountability (Dimension 3)

Legend:
- Interactions With Local Authorities
- People's Inspection Boards
- Community Investment Boards
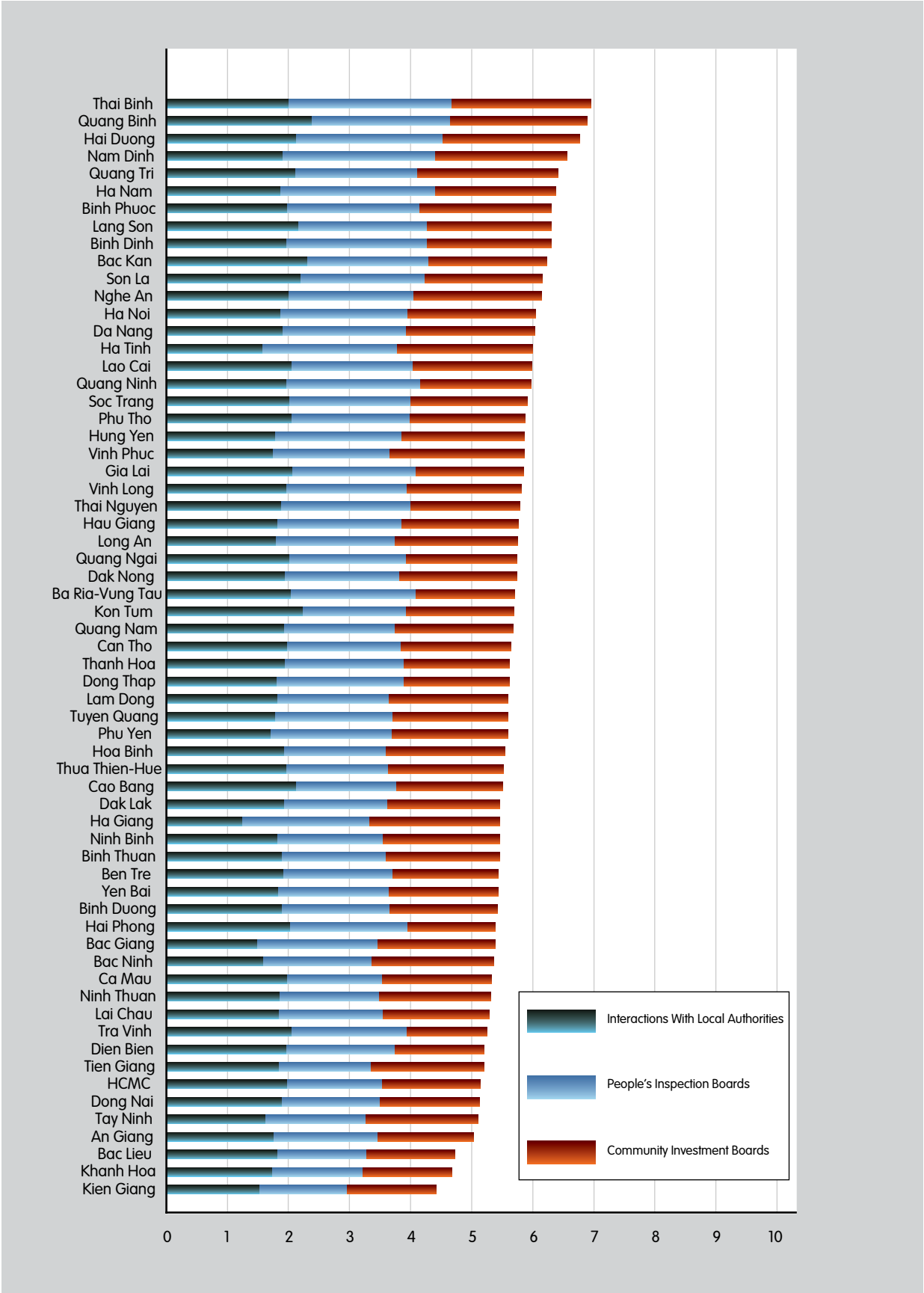
Figure 3.3b: Year-on- year Changes in Vertical Accountability (2011-2012)

Province	Percentage change 2011-2012
Cao Bang	15.10
Soc Trang	14.84
Hung Yen	14.06
Hai Phong	12.69
Hau Giang	9.44
Ha Giang	9.15
Bac Kan	8.96
Thai Binh	8.42
Hai Duong	8.07
Vinh Long	7.98
Binh Phuoc	7.86
Gia Lai	7.77
Ninh Binh	7.52
Lang Son	7.49
Lao Cai	7.44
Phu Yen	7.25
Ben Tre	6.27
An Giang	6.21
Ha Noi	5.74
Son La	5.30
Quang Nam	5.13
Binh Dinh	4.93
Quang Binh	4.81
Thai Nguyen	4.67
Nam Dinh	4.27
Da Nang	4.24
Tuyen Quang	4.10
Vinh Phuc	3.63
Dak Nong	3.45
Ba Ria-Vung Tau	3.34
Ca Mau	3.03
Quang Ngai	3.03
Ha Nam	2.14
Can Tho	1.89
Lai Chau	1.81
Tien Giang	1.79
Lam Dong	1.30
Kon Tum	1.15
Binh Duong	0.77
Binh Thuan	0.40
Phu Tho	0.30
Quang Ninh	-0.05
Dong Nai	-0.17
Dak Lak	-1.18
Bac Giang	-1.21
Tay Ninh	-1.52
Tra Vinh	-1.56
HCMC	-1.84
Nghe An	-2.65
Bac Ninh	-3.22
Ninh Thuan	-3.76
Thua Thien-Hue	-4.39
Yen Bai	-4.53
Dien Bien	-4.70
Thanh Hoa	-5.28
Dong Thap	-5.34
Bac Lieu	-6.37
Ha Tinh	-7.87
Long An	-8.00
Quang Tri	-8.12
Hoa Binh	-8.29
Khanh Hoa	-11.50
Kien Giang	-16.51

■ Percentage change 2011-2012

Table 3.3: List of indicators used in Dimension 3 (Vertical Accountability)

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
Total Dimension	**Dimension 3: Vertical Accountability**		**1**	**10**	**5.50**	**5.58**	**5.51**	**5.65**	**Minimum** **Median** **Maximum**	**4.42** **5.65** **6.96**	**Kien Giang** **Can Tho** **Thai Binh**
Sub-Dimension 1	*Interactions With Local Authorities*		*0.33*	*3.3*	*1.87*	*1.88*	*1.85*	*1.91*	*Minimum* *Median* *Maximum*	*1.25* *1.93* *2.39*	*Ha Giang* *Dak Lak* *Quang Binh*
Sub-Dimension 2	*People's Inspection Boards*		*0.33*	*3.3*	*1.85*	*1.87*	*1.83*	*1.91*	*Minimum* *Median* *Maximum*	*1.43* *1.92* *2.67*	*Kien Giang* *Tuyen Quang* *Thai Binh*
Sub-Dimension 3	*Community Investment Boards*		*0.34*	*3.4*	*1.78*	*1.83*	*1.80*	*1.86*	*Minimum* *Median* *Maximum*	*1.31* *1.89* *2.30*	*Tra Vinh* *TT-Hue* *Quang Tri*
S1. Interactions With Local Authorities	Contacted Village Head (%)	d301a1	0%	100%	18.54%	18.07%	15.86%	20.28%	Minimum Median Maximum	0.54% 18.53% 58.85%	Ha Giang Dien Bien Bac Kan
S1. Interactions With Local Authorities	Contacted Commune PCOM (%)	d301b1	0%	100%	12.20%	12.01%	10.40%	13.62%	Minimum Median Maximum	1.27% 10.97% 39.08%	Nam Dinh Quang Nam Bac Kan
S1. Interactions With Local Authorities	Contact w/Village Head Successful (%)	d301a1	0%	100%	87.96%	86.82%	83.19%	90.45%	Minimum Median Maximum	18.69% 90.33% 100%	Ha Tinh Long An Quang Tri
S1. Interactions With Local Authorities	Contact w/Commune Successful (%)	d301b2	0%	100%	80.49%	82.82%	78.85%	86.79%	Minimum Median Maximum	0.00% 85.74% 100%	Ha Giang Phu Yen Binh Phuoc
S1. Interactions With Local Authorities	Made a Proposal to Authorities (%)	d302a1	0%	100%	23.36%	25.96%	23.79%	28.14%	Minimum Median Maximum	8.76% 26.58% 65.27%	Ninh Thuan Tay Ninh Quang Binh
S1. Interactions With Local Authorities	Proposal Successful (%)	d302a2	0%	100%	87.28%	87.28%	85.07%	89.48%	Minimum Median Maximum	52.73% 86.73% 100%	Tra Vinh Ha Nam Ninh Thuan
S2. People's Inspection Boards	Village has a PIB (%)	d303	0%	100%	33.84%	33.18%	30.45%	35.90%	Minimum Median Maximum	12.33% 35.40% 76.63%	Bac Lieu Da Nang Thai Binh
S2. People's Inspection Boards	PIB selected by vote (%)	d303a	0%	100%	43.54%	42.55%	38.88%	46.21%	Minimum Median Maximum	4.15% 40.54% 74.18%	Cao Bang Bac Kan Thai Binh
S2. People's Inspection Boards	PIB effective (%)	d303c	0%	100%	78.70%	78.64%	76.14%	81.15%	Minimum Median Maximum	49.50% 78.56% 97.15%	Bac Ninh Dong Thap BRVT

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
S3. Community Investment Boards	Commune has a CISB (%)	d304	0%	100%	14.48%	16.69%	15.04%	18.33%	Minimum	1.16%	Tien Giang
									Median	15.20%	Dong Nai
									Maximum	43.92%	Thai Binh
S3. Community Investment Boards	CISB Effective (%)	d304b	0%	100%	81.65%	83.23%	79.51%	86.95%	Minimum	35.22%	Bac Lieu
									Median	87.94%	Thai Binh
									Maximum	100%	Tien Giang

(*) Min=Sample Minimum; Max= Sample Maximum

Interactions with Local Authorities

This is an extensive sub-dimension with six indicators looking into the interactions between citizens needing administrative assistance and local leaders. Nationwide, 18% of citizens contacted a village head during the last 12 months, about the same level as in 2011. The interaction with the village head in Cao Bang, the best performer, is especially high with 58.8% of respondents having made a contact, while only 1.2% in Nam Dinh did so.

The village head seems to be the first people turn to, with 18.07% across the country, similar to 2011. The percentage of people contacting commune's People's Committee is much lower. In Nam Dinh, only 1.2% have chosen this channel for problem solving, while most interactions with commune PC's happened in Bac Kan (39%).

Among those who sought contact, the majority found it to be successful. Regarding village heads, 86.8% found the meeting useful, while 82.8% thought the meetings with the commune People's Committee was successful. These levels are consistent with the 2011 findings. Variation among the provinces is remarkable. In Ha Tinh, only 18.6% found the meeting with the village head useful, and in Ha Giang, all contacts with the commune PC were unhelpful.

The next two indicators are of particular interest. The rate of people making constructive proposals to improve communal affairs can be seen as an indicator for an open and accountable government. On average, about 26% of respondents came forward with a suggestion or proposal, a slight increase from 2011. Quang Binh citizens make the largest number of proposals, with more than 65% of citizens actively participating and interacting with local authorities. At the other, end, only 8.7% of citizens in Ninh Thuan province made a proposal.

It is very positive that among those making proposals, 87.28% found the proposal to be successful, almost the same rate as in 2011. Interestingly, while Ninh Thuan has the lowest rate of citizens making proposals, the few interactions had a perfect success rate. In Tra Vinh province, the weakest performer, more than half found their action to be a success. A possible explanation is that most people only consider making a proposal when the chance of being heard is high, and that most of them are better educated and better connected individuals.

Overall, the national mean of the sub-dimension is 1.88 out of 3.33, compared to 1.87 in 2011. Quang Binh is the top performer with a score of 2.39, while Ha Giang is 1.25.

People's Inspection Boards (PIBs)

The People's Inspection Board is a grassroots level accountability mechanism introduced in 2004 under the framework of the GRDO.[36] Over the last decade,

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36. See Article 11, Law on Inspection No. 2/2004/QH11, 2004.

PIBs have been established in almost all communes over the country. However, in the country as a whole, only 33% of citizens said they were aware of the existence of these institutions in their locality, almost exactly the same level as in the previous two years. In Thai Binh, the best performer, two-thirds of citizens were aware of PIBs, while they are only known to 12.3% in Bac Lieu.

Another finding is that among the people who are aware of the PIB's existence in their locality, less than half know the right mechanism to establish the board (which is through popular elections). This is unchanged from 2011. More than half incorrectly believe that the board is founded by other actors, such as the VFF or the local government. Thai Binh province has the most informed population (74.18%), while in Cao Bang, only 4.15% know the proper establishment mechanism.

The final indicator of the sub-dimension offers a more positive finding. Among citizens awareness of the PIB's existence, 78.6% say it works effectively, exactly the same level as in 2011. The PIB's work is viewed most positively in Ba Ria – Vung Tau (97%), while only 50% of citizens in Bac Ninh province think their PIB works well.

Overall, Viet Nam shows a high degree of consistency in the performance of this sub-dimension compared to 2011. The national mean is 1.87 out of 3.33. Thai Binh province has the best performance with 2.67, almost double Kien Giang's level of 1.43.

Community Investment Supervision Boards (CISBs)

This sub-dimension mirrors the previous one and has two indicators dealing with the CISBs. First, respondents are asked if they are aware of the existence of a CISB in their locality. Across the country, 16.7% of respondents answered the question positively. Compared with 2011, this score increased slightly but was still lower than 19.4% of 2010. The low rate compared to PIB can be explained by the fact that in many communes, the PIB may perform the tasks of the CISB. Thai Binh is the province with most citizens

confirming the existence of a CISB (43.9%), in contrast to just 1.1% in Tien Giang province.

On the positive side, among the ones who are aware of the CISB's existence, a majority of 83.2% say that the board works effectively, a similar level to 2011. The number is 100% in Tien Giang province. At the bottom end, in the Mekong Delta province of Bac Lieu, one-third of respondents confirmed the board's effectiveness. However, this indicator should be treated with caution as the number of people answering this question is small in some provinces.

Overall, the country shows a remarkable degree of consistency in this sub-dimension. The 2012 national mean is 1.83 out of 3.33, compared with 1.78 in 2011. Once again, Quang Tri gains the highest score of 2.3, slightly lower than its own top score of 2.4 in 2011. At the other end, the Mekong Delta province of Tra Vinh had the lowest score of 1.3.

In summary, the data suggests that despite efforts over the last decade to establish the PIBs and CISBs as key accountability institutions at the local levels, their impact is still very limited. This is reflected by the number of citizens unaware of their existence. PAPI provides concrete evidence of what the media has reported regarding the difficulty in strengthening these institutions.[37]

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37. See the situation in Nghe An as an example for the general situation in the country. Nghe An Online (9/10/2012). Bất cập trong giám sát đầu tư cộng đồng [Challenges in monitoring community investments]. Available at http://baonghean.vn/news_detail.asp?Catid=92&NewsId=92243.

3.4. DIMENSION 4: CONTROL OF CORRUPTION

Map 3.4: Provincial Performance in Control of Corruption by Quartiles

Dimension 4:
Control of Corruption 2012

Legend

Control of Corruption

- Best Performers
- High Average
- Low Average
- Poor Performers

This dimension presents findings from PAPI 2012 surveys regarding four types of corruption that are experienced and perceived directly by citizens, including: (i) petty corruption by public servants, (ii) petty corruption in public service delivery, (iii) nepotism in public sector employment, and (iv) the willingness of provincial authorities to fight corruption. It also assesses changes in provincial performance on this dimension between 2011 and 2012. The comparison shows which provinces are progressing and which need to do more to improve their anti-corruption efforts.

It is worth noting that a few changes were made to the construction of this dimension in PAPI 2012. All the indicators on frequency and size of bribes in administrative procedures for land use rights certificates (LURCs), district hospital service and primary education are now reported separately in Chapter 2. Nevertheless, the dimension exhibited a remarkable stability compared with 2011.[38]

Figure 3.4a shows a comparison of the provinces' absolute scores at both dimensional and sub-dimensional levels.

A few observations are worth noting about Figures 3.4a. This dimension has the largest variation in scores across provinces. There is a difference of 2.4 points between the best and worst performers. Comparing the mean scores, Tien Giang is the top performer at 6.95 points, while Dien Bien replaces Cao Bang at the bottom of the scale with a score of 4.25 points (see Table 3.4). As observed in Table 1 (Chapter 1), there is some improvement in control of corruption across provinces, with a year-on-year 2.59% improvement in the mean national score.

Among the top best performers, Binh Dinh and Long An are the second best performers with their scores close to Tien Giang's, followed by mostly central and southern provinces (namely Da Nang, Soc Trang, Quang Tri, Vinh Long, Quang Nam and Ba Ria-Vung Tau). This regional pattern is similar to PAPI 2010 and PAPI 2011 findings. The next 45 provinces have smaller differences in scores, with the difference between Ho Chi Minh City (6.39) and Kien Giang (5.02) being 1.37 points by mean values. Among the ten poorest performers, Hai Phong, and Ninh Thuan repeat their low scores from PAPI 2011. Map 3.4 shows the regional patterns along this dimension.

A year-on-year comparison of provincial scores shows interesting developments in citizens' assessments of anti-corruption efforts (see Figure 3.4b). Bac Giang improved greatly in 2012 with a year-on-year 25.69% improvement. Cao Bang also witnessed a large increase in its percentage score (15.96%) despite remaining one of the five poorest performers in control of corruption. Binh Dinh maintains its high score over time. Lao Cai, Ben Tre, Dak Nong and Thai Nguyen saw the smallest year-on-year fluctuations in their scores. Meanwhile, Dien Bien experienced the largest drop with a 16.8% reversal. In its decline it was followed by Khan Hoa (13.8%) and Bac Lieu (13%).

A more detailed analysis of the dimension can be derived from Table 3.4. In particular, the aggregate scores for the entire nation at dimensional, sub-dimensional and indicator levels are included in a comparative perspective with findings from PAPI 2011. Also included are the minimum, median, and maximum provincial scores.

At the sub-dimensional level, Table 3.4 suggests some improvements in terms of 'limits on public sector corruption', 'equity in public employment' and 'willingness to fight corruption' as compared to PAPI 2011 findings. Of these three sub-dimensions, the score of 'willingness to fight corruption' rose by 5.72% (see Table 1.1, Chapter 1). This could reflect the Viet Nam Communist

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38. Careful readers will call into question the comparability. A comparison between the original and corrected dimension 4 show a highly statistical correlation of 0.94, significant at the 0.05 level. This is so, because there are enough indicators in Dimension 4, including four sub-dimensions, so it has been designed to be highly stable comparator.

39. Resolution No. 12-NQ/TW of the Central Communist Party's Committee Congress 4 (Plennum XI) on urgent matters in CPV development in the current context. ["Nghị quyết hội nghị lần thứ 4 Ban chấp hành trung ương Đảng (khóa XI): Một số vấn đề cấp bách về xây dựng Đảng hiện nay"] It is available at http://baodientu.chinhphu.vn/Home/Nghi-quyet-Hoi-nghi-Trung-uong-4-Mot-so-van-de-cap-bach-ve-xay-dung-Dang-hien-nay/20121/125067.vgp].

Party's call for 'criticism and self-criticism' among public officials and civil servants, and stronger anti-corruption effort under the Resolution No. 12-NQ/TW.[39] Furthermore, media discussions about the revision of the Anti-corruption Law and the re-establishment of the Central Commission on Internal Affairs to tackle anti-corruption efforts could also have had an impact.

Overall, the 2012 findings show that citizens' feedback about provincial effort in controlling corruption in the public sector is consistent with what was found in 2011. Table 3.4 shows that in 2012, 52.70% of respondents do not believe their top official diverts state funds, 51.27% do not believe it is necessary to pay bribes to obtain land use rights certificates, and 54.10% do not believe bribes are necessary to receive a construction permit.

In terms of 'limits on corruption in service delivery', there is a slight decrease in citizens' confidence in two aspects as compared with 2011. Nationwide, 45.64% do not believe bribes are needed for better care at public district hospitals and 59% do not believe parents have to pay bribes to teachers for their children to receive more attention at school.

There is also almost no change in citizens' confidence in equity in employment (1.46% on year-on-year comparison) with 39.07% of respondents agreeing that to get a job in the government, a bribe must be paid. Meanwhile, nepotism remains prevalent in the five public jobs surveyed (land registration officer, judicial officer, commune police, primary school teacher and staff at a commune-level people's committee).

Figure 3.4a: Control of Corruption in the Public Sector (Dimension 4)
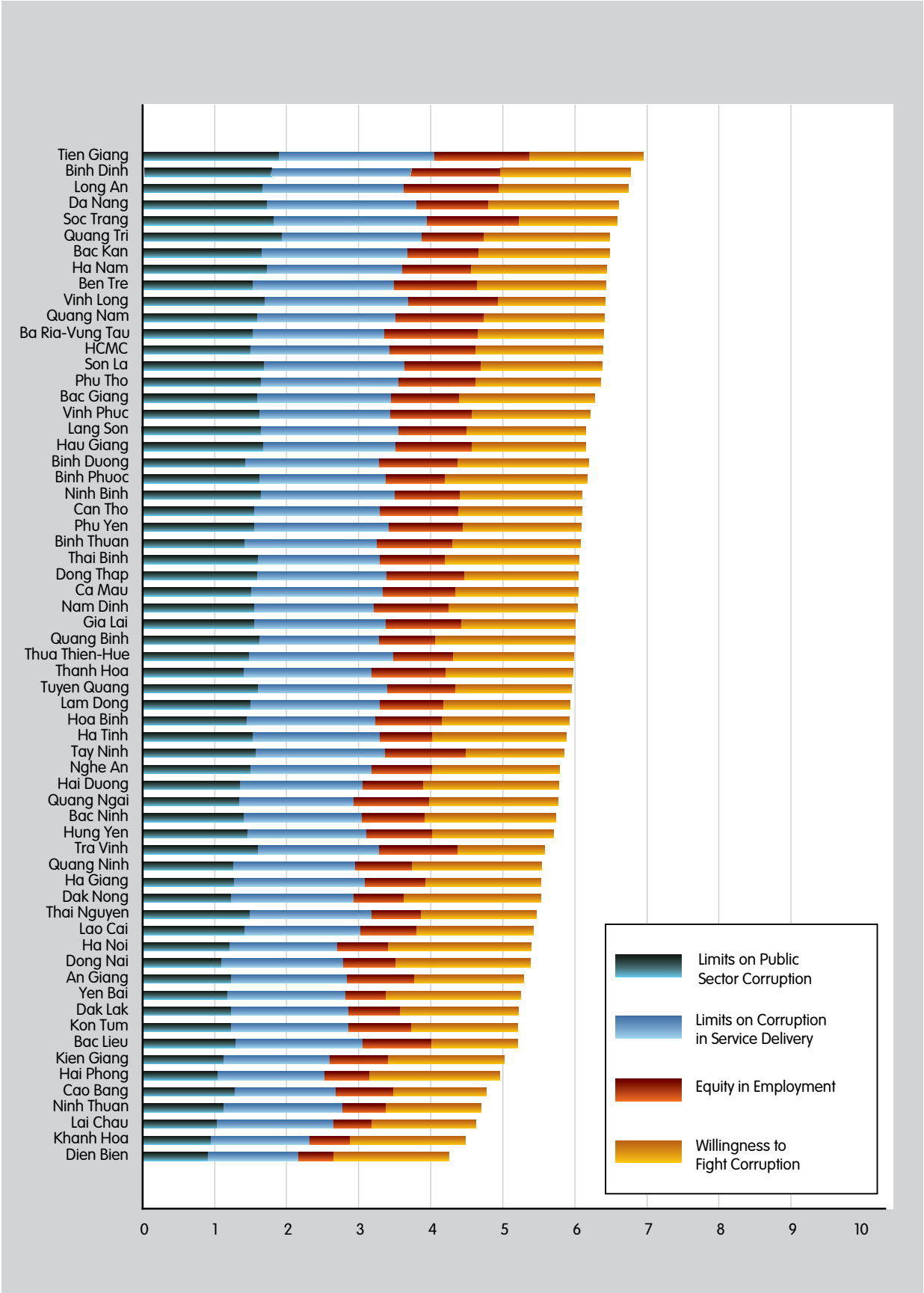
Figure 3.4b: Year-on-year Changes in Control of Corruption (2011-2012)
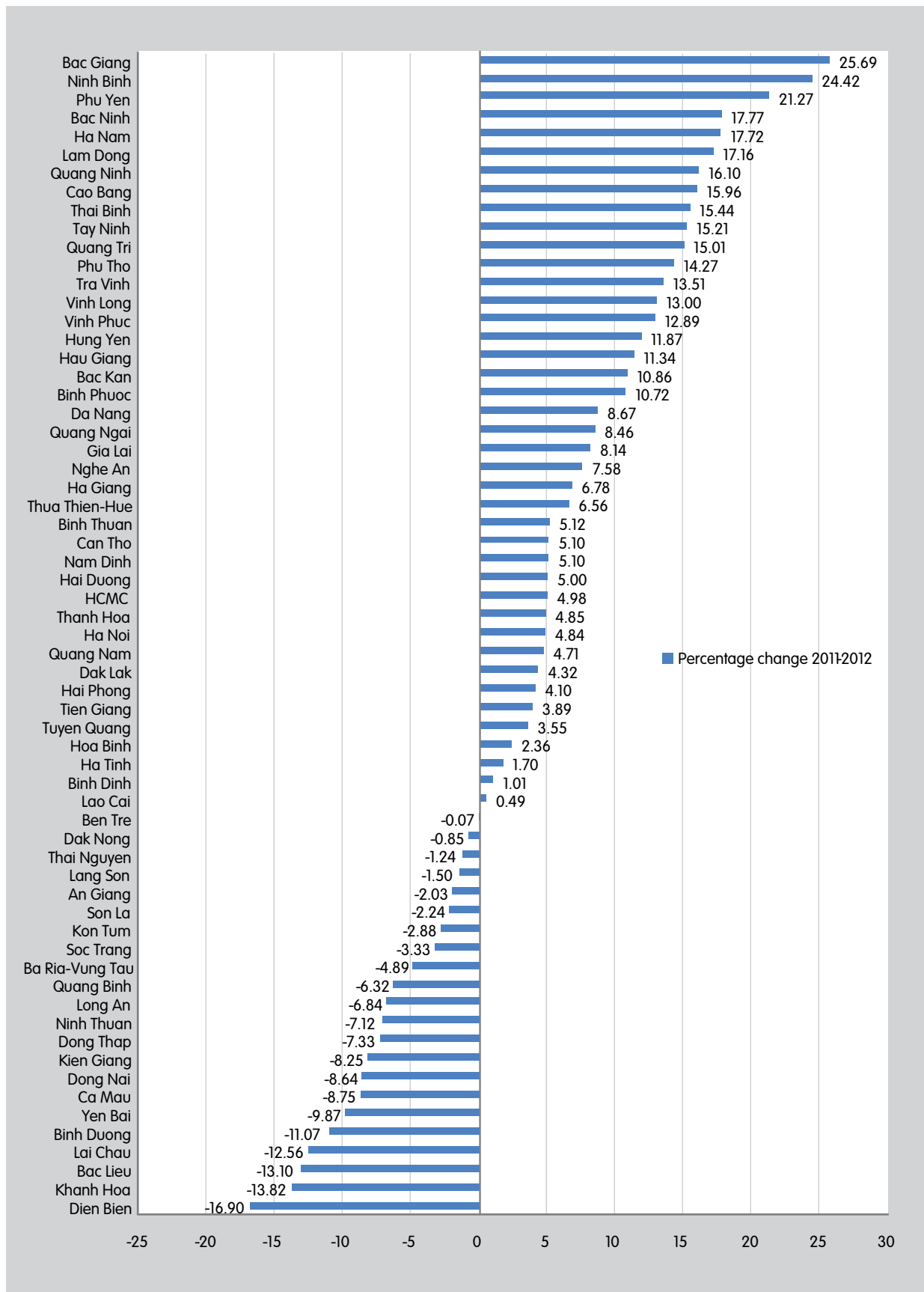
Table 3.4: List of Indicators on Control of Corruption (Dimension 4)

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011**	PAPI 2012	Low	High	Status	Scores	Provinces
Total Dimension	**Dimension 4: Control of Corruption**		**1**	**10**	**5.69**	**5.84**	**5.73**	**5.95**	**Minimum**	**4.25**	**Dien Bien**
									Median	**5.98**	**TT-Hue**
									Maximum	**6.95**	**Tien Giang**
Sub-Dimension 1	*Limits on Public Sector Corruption*		*0.25*	*2.5*	*1.40*	*1.44*	*1.39*	*1.48*	*Minimum*	*0.91*	*Dien Bien*
									Median	*1.51*	*Ca Mau*
									Maximum	*1.94*	*Quang Tri*
Sub-Dimension 2	*Limits on Corruption in Service Delivery*		*0.25*	*2.5*	*1.76*	*1.75*	*1.72*	*1.79*	*Minimum*	*1.26*	*Dien Bien*
									Median	*1.79*	*Tuyen Quang*
									Maximum	*2.15*	*Tien Giang*
Sub-Dimension 3	*Equity in Employment*		*0.25*	*2.5*	*0.94*	*0.96*	*0.91*	*1.01*	*Minimum*	*0.48*	*Dien Bien*
									Median	*0.94*	*Bac Giang*
									Maximum	*1.32*	*Tien Giang*
Sub-Dimension 4	*Willingness to Fight Corruption*		*0.25*	*2.5*	*1.59*	*1.69*	*1.66*	*1.71*	*Minimum*	*1.19*	*Bac Lieu*
									Median	*1.71*	*Can Tho*
									Maximum	*1.98*	*Ha Noi*
S1. Limits on Public Sector Corruption	No Diverting of Public Funds (% agree)	d402a	0%	100%	52.06%	52.70%	50.06%	55.34%	Minimum	28.36%	Dong Nai
									Median	55.53%	Nam Dinh
									Maximum	79.87%	Tien Giang
S1. Limits on Public Sector Corruption	No Bribes for Land Title (% agree)	d402b	0%	100%	49.74%	51.27%	48.80%	53.74%	Minimum	19.70%	Dien Bien
									Median	54.71%	Binh Thuan
									Maximum	70.55%	Quang Tri
S1. Limits on Public Sector Corruption	No Kickbacks on Construction (% agree)	d402e	0%	100%	51.19%	54.10%	51.99%	56.22%	Minimum	20.44%	Hai Phong
									Median	57.68%	Thai Binh
									Maximum	75.92%	Soc Trang
S2. Limits on Corruption in Service Delivery	No Bribes at Hospital (% agree)	d402c	0%	100%	46.52%	45.65%	42.92%	48.38%	Minimum	17.48%	Khanh Hoa
									Median	45.21%	Dak Lak
									Maximum	73.80%	Da Nang
S2. Limits on Corruption in Service Delivery	No Bribes for Teachers' Favourism (% agree)	d402d	0%	100%	59.14%	59.00%	56.86%	61.13%	Minimum	25.51%	Dien Bien
									Median	62.54%	Binh Phuoc
									Maximum	81.04%	Tien Giang
S3. Equity in Employment	No Bribes for State Employment (% agree)	d402f	0%	100%	40.33%	39.07%	36.16%	41.99%	Minimum	7.79%	Dien Bien
									Median	36.81%	Tuyen Quang
									Maximum	70.49%	Tien Giang
S3. Equity in Employment	Total No Relationship	d403a-d403e	0	5	1.06	1.20	1.10	1.30	Minimum	0.40	Khanh Hoa
									Median	1.16	Ninh Binh
									Maximum	2.23	Vinh Phuc
S4. Willingness to Fight Corruption	Corruption had no effect on respondent (%)	d405a	0%	100%	95.39%	96.00%	94.92%	97.08%	Minimum	84.13%	Dong Nai
									Median	97.66%	Dak Nong
									Maximum	100%	Tien Giang

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011**	PAPI 2012	Low	High	Status	Scores	Provinces
S4. Willingness to Fight Corruption	Know Ant-Corruption Law (%)	d406	0%	100%	42.45%	44.11%	41.21%	47.01%	Minimum	10.04%	Lai Chau
									Median	44.50%	Yen Bai
									Maximum	77.41%	Thai Binh
S4. Willingness to Fight Corruption	Province Serious about Combating Corruption (%)	d407	0%	100%	22.95%	24.47%	22.68%	26.26%	Minimum	4.11%	Tra Vinh
									Median	23.62%	Son La
									Maximum	59.09%	Ha Noi
S4. Willingness to Fight Corruption	Denunciation Price '000s VND (Imputed)	d404	0	150,000	5,523	5,111	4,692	5,530	Minimum	2,038	Thai Nguyen
									Median	4,880	Ha Nam
									Maximum	10,400	Bac Ninh
S4. Willingness to Fight Corruption	Victim did not denunciate bribe request (%)	d405a	100%	0%	9.15%	7.01%	1.10%	12.91%	Minimum	0%	Ben Tre
									Median	0%	Ha Nam
									Maximum	96.30%	Soc Trang

(*) Min=Sample Minimum; Max= Sample Maximum. ** Scores for 2011 have been adjusted for comparative purposes.

Limits on Public Sector Corruption

In this sub-dimension, citizens are asked about some common forms of corruption involving public officials at the provincial level. Recognizing that questions about corruption can be seen as sensitive by respondents, the questions have been portrayed as perception-based in order to capture citizens experiences with these issues.[40]

As shown in Table 3.4, in this sub-dimension, the national mean score is 1.44, with Ca Mau as the median performing province. Tien Giang has the maximum score of 1.94 points (out of 2.5), while Dien Bien scores the lowest at 0.91 points. This means that the citizens in Tien Giang credit the efforts to control of corruption in public officials and civil servants by provincial leaders more highly than the citizens in Dien Bien.

Figure 3.4c shows the six indicators measuring different types of corruption in PAPI. The branches of the star represent the percentage of people who agree that the corresponding statements in the legend are true. Similar to what was found in PAPI 2011, no province is close to the perfect star graph displayed in the bottom-left corner. Central and southern provinces seem to be better at mitigating corruption in the public sector (Tien Giang, Soc Trang, Vinh Long, Quang Tri, Da Nang, Binh Dinh and Long An). Once again, Tien Giang and Soc Trang score closest to the perfect scores, indicating consistency in their performance on all six measures.

Statistics in this sub-dimension show that 79.87% of respondents in Quang Tri deny the occurrence of the diversion of public funds by local officials, while in Dong Nai, only 28.36% deny any incidence. On bribery for land titles, 70.5% of the respondents in Long An deny the statements that citizens have to give bribes in order to process applications for land use rights certificates. At the other end of the spectrum, Dien Bien citizens suggest that these practices occur more frequently. More respondents in Hai Phong observe that kickbacks are required to apply for construction permits, while in Bac Kan 75.9% of citizens deny that such practices occur there.

Among the five centrally-governed municipalities, Ha Noi and Hai Phong are among the bottom ten performers in these indicators, with no improvement compared to 2011. In the case of Ha Noi, only 45.9% of the respondents disagree that local public officials divert public funds and only 38.2% believe they do not have pay bribes for land use rights certificates. The corresponding percentages for Hai Phong are 52.7% and 33.2%.

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40. Experience in administering three rounds of PAPI surveys in 2009, 2010 and 2011 shows that citizens are reluctant to provide personal experiences but will offer perceptions or answers based on what "others" do on the issues.

Figure 3.4c: Citizen Assessment on Some Types of Corruption
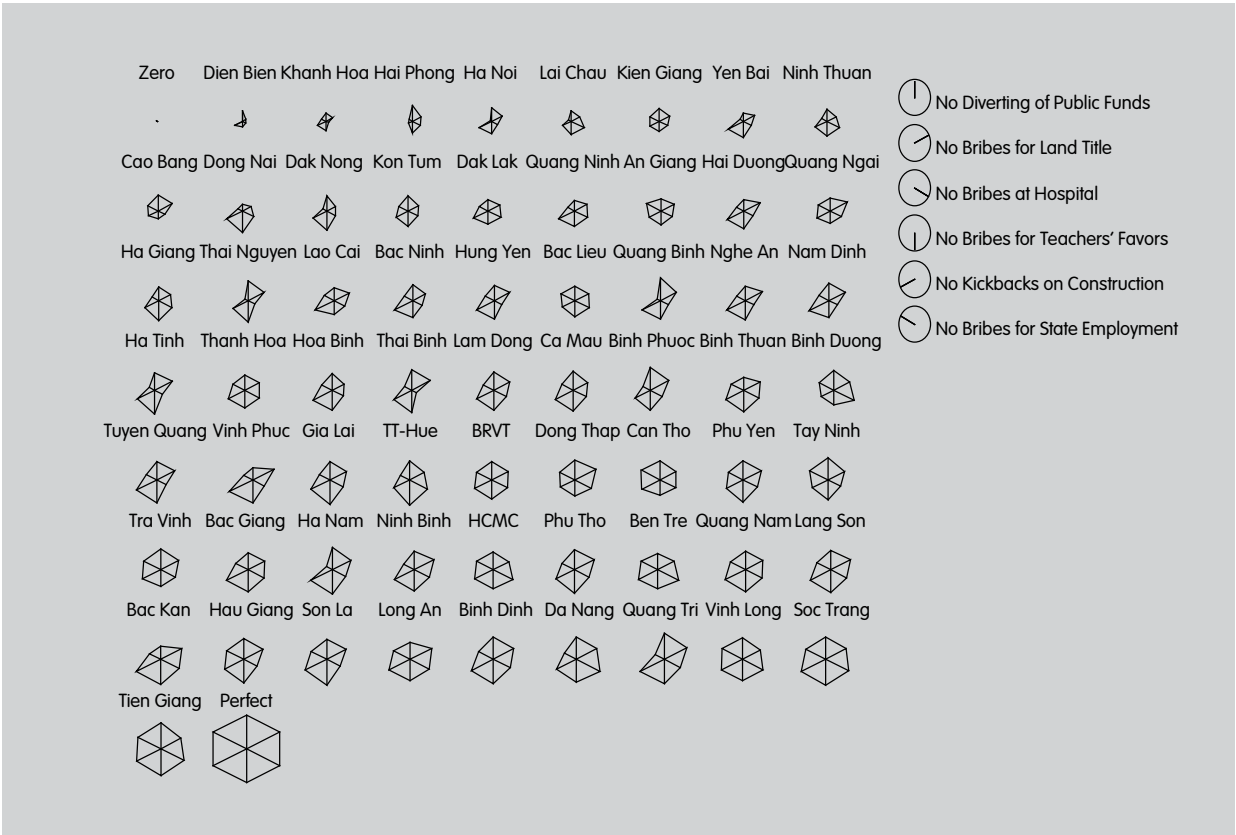
Limits on Corruption in Public Service Delivery

This sub-dimension measures the level of corruption perceived and experienced by citizens when using public health care and public primary schools. It indicates the effort made by local governments to control these practices.

As shown in Table 3.4, the national mean score in this sub-dimension is 1.75 out of a possible 2.5 points, which is consistent with the 2011 mean score of 1.76 points. In other words, there has been little improvement in control of corruption in two important public services of health and education.[41] Tien Giang has the highest score of 2.15 points while Dien Bien scores the lowest at 1.26 points.

At the national level, 45.65% of respondents agree with the notion that no bribes are needed at district

hospitals in order to get better care. Respondents in Da Nang experience this problem much less than in other provinces. On access to quality primary education, 59% of respondents claim that paying bribes to teachers for special treatment is not common.[42]

At the indicator level, no province comes close to the perfect score of 100% regarding citizens' perception of bribery in both health and education (see Figure 4.3c). Da Nang, Soc Trang and Tien Giang have the highest percentages of their respondents denying that people have to pay bribes when accessing health and education services. On the other hand, Dien Bien, Khanh Hoa, Hai Phong and Ha Noi have very few respondents denying that this occurs. Quang Tri, although among the top ten best performers in control of corruption, needs to fix the problem with bribes at district public hospitals. Da Nang, also among the top performers, needs to address bribery at public primary schools.

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41. These findings are also consistent with the 2012 Anti-Corruption Diagnostics by the Government Inspectorate and the World Bank. For more detailed analysis, see Government Inspectorate and the World Bank, 2012, p. 88.

42. See Chapter 2 for findings about the frequency and size of bribes incurred to citizens at public district hospitals and primary schools at the national level.

Equity in Public Employment

This sub-dimension includes perception-based queries about citizen views of equity in public sector employment. It is composed of two indicators, including (i) no bribes for state employment, and (ii) public sector jobs that do not require connections (i.e. nepotism).

At the sub-dimensional level, the change in score between 2011 and 2012 is minimal from 0.94 to 0.96 points out of a possible 2.5. As shown in Table 3.4, respondents in Tien Giang see more equity in state employment than any other provinces, although its score in this sub-dimension is just 1.32 points. Dien Bien scores the lowest at 0.48, very close to the minimum possible score of .25.

Figure 4.3c also suggests that bribes for jobs in the public sector are prevalent across provinces. At the national level, only 39.07% deny the need to pay bribes for public sector employment, a slight decline as compared to 2011. At the provincial level, Tien Giang has the largest number of respondents denying the activity (70.49%), while Dien Bien has the smallest

(7.79%). Tuyen Quang remains at the median position with 36.53% citizens denying the activity, a slight increase from the median score of 33.31% in 2011.

Personal relationships play an important role for those who wish to pursue careers in the public sector in five positions studied in PAPI. This observation has been confirmed through each of the PAPI surveys over the past three years, and confirms the systemic nature of nepotism in public sector employment, even at the lowest level of government. It is evident in the small variance across provinces and in the star graphs presented in Figure 3.4d. The largest star, which is Vinh Phuc, is only one-fifths of the perfect star graph that depicts zero relationship necessary for employment.

Apart from Vinh Phuc, other provinces with better scores include Ba Ria-Vung Tau, Long An, and Binh Dinh. Vinh Phuc scores 2.23 out 5 points, meaning that relationships are not important for two out of five jobs, compared with the national mean of 1.2 (see Table 3.4).[43] Khanh Hoa's point estimate of 0.4 means that relationships are important for almost all of the five jobs surveyed.

Figure 3.4d: Levels of Nepotism at the Provincial Level

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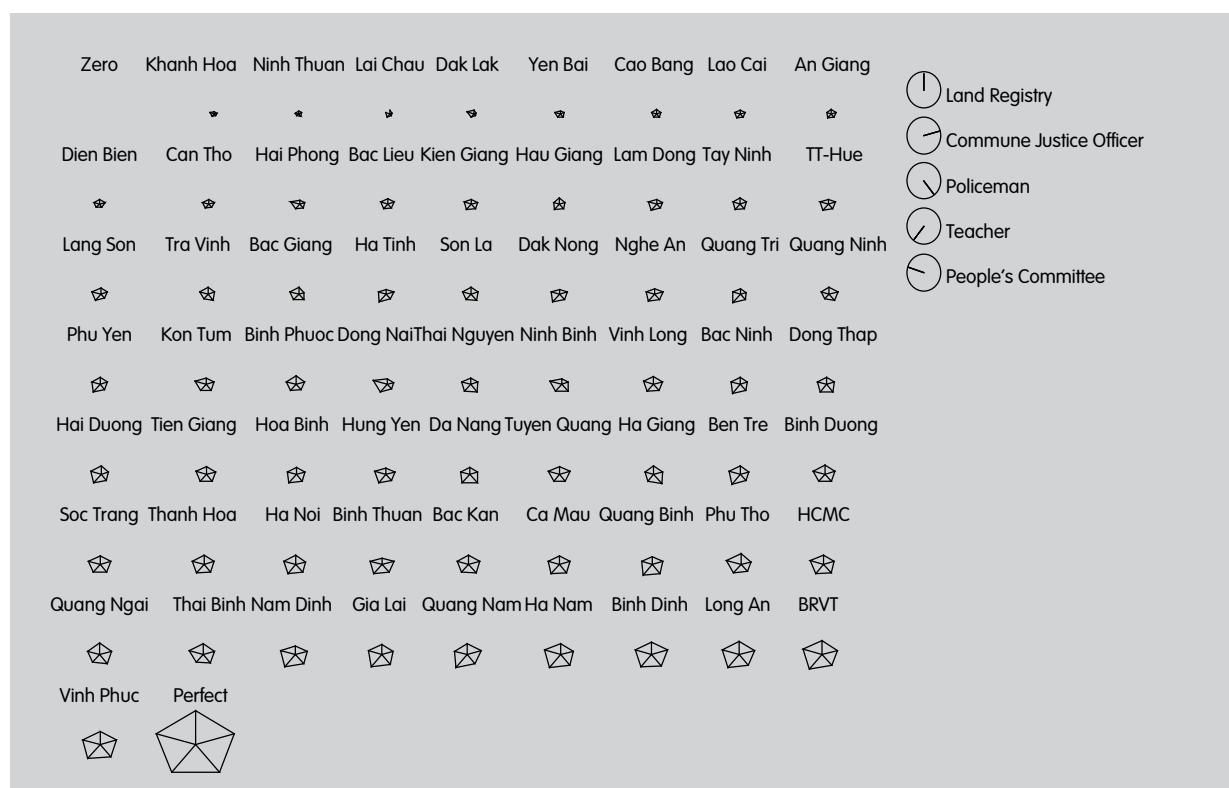
43. Indicators in d403 in the Questionnaire were all converted to dichotomous variables: '1' means 'not important' and '0' means 'important'. A score of '5' means relationships are 'not important' for any position.

Willingness to Fight Corruption

This sub-dimension measures government efforts to combat corruption and engage citizens in fighting corruption in their jurisdictions. It is comprised of both knowledge-based and experience-based indicators. The former indicators look at (i) whether or not respondents are aware of the Law on Anti-Corruption, (ii) whether or not provincial governments are serious about dealing with uncovered corruption cases, and (iii) the extent to which bribe requests are tolerated. Other experience-based indicators include (i) whether or not respondents have been affected by any act of corruption when dealing with local government officials or commune police, and (ii) the percentage of victims denunciating bribe requests.

On awareness of the Law on Anti-Corruption, at the national level, 44.11% of the total respondents know about it, which is virtually the same as the 42.45% as found in 2011. This proportion is higher than the number of respondents aware of the Grassroots Democracy Ordinance (30.35%). Thai Binh has the most respondents aware of the law (77.41%), while the proportion in Lai Chau is lowest at 10.04%.

A much lower number of citizens believe their local officials were serious about controlling corruption. Only 24.47% of respondents in the national sample thought local officials were serious in dealing with exposed corruption cases. Although this is a little higher than in 2011, it is a remarkably low proportion. Agreement was again highest in Ha Noi (59.09%), and lowest in Tra Vinh with only 4.11% answering that their officials were serious.

On the tolerance of bribe requests from either commune-level public officials or police nationally, the mean amount that would trigger denunciation against bribe requests for both posts is 5.11 million VND, very close to the 2011 amount of 5.5 million VND. Bac Ninh replaces Thai Binh in seeing the largest tolerance, where respondents on average said they would denounce when the bribes cost 10.4 million VND. On the contrary, Thai Nguyen respondents on average would not tolerate amounts greater than 2 million VND.

When experience with corruption are questioned, respondents tend to be more reserved in telling their own stories. As such, the above perception-based indicators are important to indicate how citizens feel about corruption issues. PAPI 2012 data suggests that when asked about whether or not they are affected by any act of corruption from a local public official or civil servant, as many as 95.39% of the national sample said that corruption had no effect on them, about the same found in 2011. In Tien Giang, all respondents deny being impacted. Dong Nai has the lowest proportion of all 63 provinces at 84.13%.

Among the respondents that acknowledged being asked for bribes by public officials or civil servants, at the national level only around 7% made a formal denunciation. In half of the provinces citizens show their reluctance to denunciate. The reasons why the rest chose not to proceed with denunciation varies. The breakdowns for the reasons are that 72.88% found it useless to denounce, 7.8% were scared of retaliation, 5.22% found the procedures too burdensome, 2.45% did not know how to denunciate, and the remainder gave different reasons or refused to answer.

3.5. DIMENSION 5: PUBLIC ADMINISTRATIVE PROCEDURES

Map 3.5: Provincial Performance on Administrative Procedure by Quartiles

Dimension 5:
Public Administrative Procedures 2012

Legend

Public Administrative Procedures

- Best Performers
- High Average
- Low Average
- Poor Performers

HA GIANG

CAO BANG

LAI CHAU

LAO CAI

TUYEN QUANG

BAC KAN

DIEN BIEN

YEN BAI

LANG SON

THAI NGUYEN

PHU THO

VINH PHUC

BAC GIANG

SON LA

BAC NINH

HA NOI

HUNG YEN

HAI DUONG

QUANG NINH

HOA BINH

HAI PH

HA NAM

THAI BINH

NAM DINH

NINH BINH

THANH HOA

NGHE AN

HA TINH

QUANG BINH

QUANG TRI

TT-HUE

DA NANG

HOANG SA ISLANDS

QUANG NAM

QUANG NGAI

KON TUM

BINH DINH

GIA LAI

PHU YEN

DAK LAK

KHANH HOA

DAK NONG

BINH PHUOC

NINH THUAN

TAY NINH

LAM DONG

BINH DUONG

DONG NAI

BINH THUAN

DONG THAP

LONG AN

HCMC

AN GIANG

CAN THO

TIEN GIANG

BRVT

KIEN GIANG

VINH LONG

BEN TRE

PHU QUOC

HAU GIANG

TRA VINH

SOC TRANG

BAC LIEU

CA MAU

CON DAO ISLAND

TRUONG SA ISLANDS

This dimension examines the quality of public administrative services in areas important to citizens. These services include (i) certification services, (ii) application procedures for construction permits, (iii) application procedures for land use rights certificates (LURCs), and (iv) application procedures for personal documents. Similar to the previous PAPI waves.[44] the indicators used to construct this dimension help reveal the performance of local government agencies against six elements constituting a professional and responsive administrative service, including *convenience, security, reliability, personal attention, fairness and accountability.*[45]

As a whole, the aggregate performance of all provinces regarding their provision of public administrative services to citizens has barely changed over the past two years. The national mean score in this dimension is at 6.87 points in 2012—a 0.17 percentage point decline from that in 2011 (with 95% confidence intervals ranging from 6.83 to 6.91). This dimension also has the second highest aggregate national score, following only public service delivery. An implication of this could be that governmental reforms in terms of simplification of administrative procedures and improving services towards citizens are having some impact, although more effort is needed in some areas.

At the national level, Figure 3.5a shows a high concentration of all 63 provinces around the mean score at 6.87, similar to the pattern found in 2011. The difference between the lowest provincial score of 6.28 (Quang Ninh) and the highest provincial score of 7.55 (Yen Bai) is the smallest of all six dimensions. The low variance suggests the uniformity across provinces in terms of the performance in dealing with public administrative procedures in all four measured services, similar to findings in the first two rounds of PAPI surveys. When the 95% confidence intervals are taken into account, the better performers do not necessarily outperform the poorer performers in this dimension. Map 3.5 depicts no discernable regional pattern in 2012.

The sub-dimensional level also sees statistically insignificant changes across four sub-dimensions as compared with 2011 findings. In the sub-dimension on construction permit procedures, the national scores are identical in both 2011 and 2012. The other three sub-dimensions see marginal changes (see Table 1.1, Chapter 1 and Table 3.5).

Despite year-on-year stability at the national aggregate levels, there are changes at the provincial level. The northern mountainous province of Yen Bai is the best performing province with a score of 7.55 out of ten, while Quang Ninh is the lowest (see Table 3.5 below). Da Nang, Lao Cai and Quang Binh are also close to Yen Bai, although when taking the 95% confidence intervals into account these differences are not significant. At the other end of the spectrum is Quang Ninh with the absolute score of 6.28 points. About half of the provinces have scores above 7 points. Dak Nong, Dien Bien, Vinh Long and Phu Tho score the highest in certification procedures, construction permits, land procedures and personal procedures dimensions respectively. On the contrary, Phu Yen, Soc Trang, Quang Ninh and Tra Vinh need to improve to catch up with other provinces.

Figure 3.5b provides a sense of a year-to-year change at the provincial levels. A change of more than 5 percentage points indicates a significantly positive or negative development over time. Based on this threshold, ten provinces improved, with Lao Cai, Tien Giang, Quang Nam, Can Tho and Hai Duong improving the most. Less positive change is shown by Ba Ria-Vung Tau, Binh Duong and Dong Nai, who all fell. Ha Noi and Ho Chi Minh City saw barely any change from 2011.

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[44]. See VFF, CECODES & UNDP, 2011 (pp. 54-56) and CECODES, FR, CPP & UNDP, 2012 (pp. 69-70)

[45]. See for instance Acuña-Alfaro, Jairo & Do Thanh Huyen (2012).

Figure 3.5a: Public Administrative Procedures (Dimension 5)
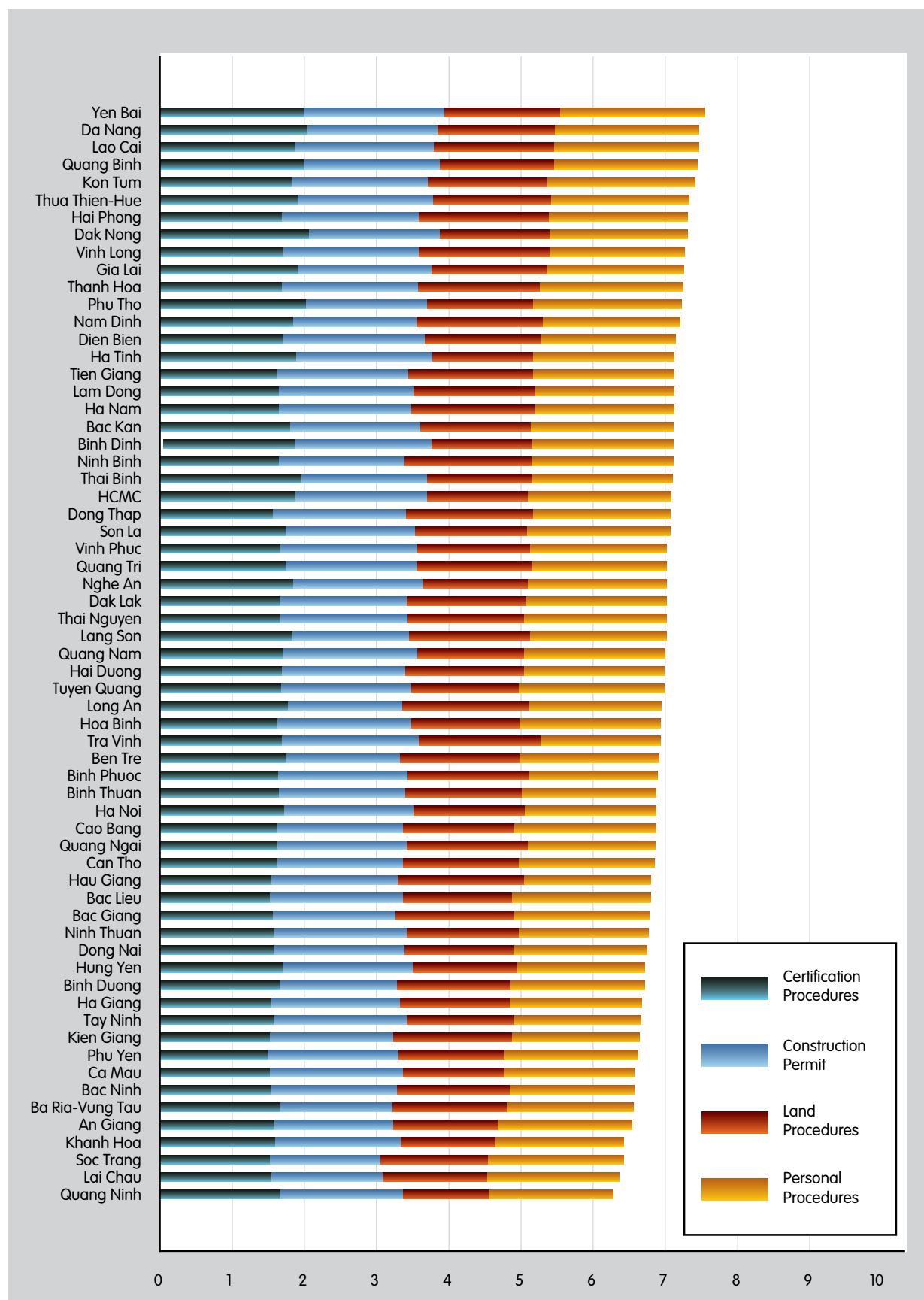
**Figure 3.5b: Year-on-year Changes in
Public Administrative Procedures (2011-2012)**

Province	Percentage change 2011-2012
Lao Cai	15.79
Tien Giang	12.05
Quang Nam	8.67
Can Tho	7.84
Hai Duong	7.00
Quang Ngai	6.97
Dien Bien	6.65
Yen Bai	6.57
Ha Nam	6.24
Thua Thien-Hue	5.96
Son La	5.73
Phu Tho	4.69
Vinh Phuc	4.50
Hai Phong	4.36
Tra Vinh	4.31
Thai Binh	4.20
Cao Bang	4.19
Lang Son	3.94
Tuyen Quang	3.90
Hoa Binh	3.80
Kon Tum	3.72
Ha Giang	3.50
Binh Thuan	3.24
Binh Dinh	3.03
Vinh Long	2.76
Nghe An	2.74
Gia Lai	2.38
Da Nang	1.88
Ben Tre	1.69
Dak Nong	1.54
Ninh Binh	1.32
An Giang	1.09
Phu Yen	0.85
Thai Nguyen	0.83
Hau Giang	0.36
Dak Lak	0.21
Ha Noi	0.05
HCMC	-0.07
Khanh Hoa	-0.11
Thanh Hoa	-0.17
Quang Binh	-0.28
Ha Tinh	-0.31
Lam Dong	-0.70
Bac Lieu	-0.77
Tay Ninh	-0.85
Bac Giang	-0.88
Bac Kan	-1.16
Hung Yen	-1.30
Dong Thap	-1.71
Nam Dinh	-2.20
Soc Trang	-2.30
Long An	-3.26
Kien Giang	-3.26
Binh Phuoc	-3.27
Quang Tri	-3.86
Ca Mau	-3.94
Ninh Thuan	-4.19
Bac Ninh	-4.31
Lai Chau	-4.68
Quang Ninh	-4.75
Dong Nai	-5.62
Binh Duong	-6.01
Ba Ria-Vung Tau	-11.59

Table 3.5: List of indicators on Public Administrative Procedures (Dimension 5)

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
Total Dimension	**Dimension 5: Administrative Procedures**		**1**	**10**	**6.88**	**6.87**	**6.83**	**6.91**	**Minimum** **Median** **Maximum**	**6.28** **7.01** **7.55**	**Quang Ninh** **Quang Nam** **Yen Bai**
Sub-Dimension 1	*Certification Procedures*		*0.25*	*2.5*	*1.68*	*1.67*	*1.65*	*1.70*	*Minimum* *Median* *Maximum*	*1.50* *1.68* *2.07*	*Phu Yen* *Thai Nguyen* *Dak Nong*
Sub-Dimension 2	*Construction Permit*		*0.25*	*2.5*	*1.77*	*1.77*	*1.76*	*1.78*	*Minimum* *Median* *Maximum*	*1.53* *1.80* *1.96*	*Soc Trang* *Binh Phuoc* *Dien Bien*
Sub-Dimension 3	*Land Procedures*		*0.25*	*2.5*	*1.58*	*1.57*	*1.55*	*1.58*	*Minimum* *Median* *Maximum*	*1.18* *1.58* *1.82*	*Quang Ninh* *Quang Binh* *Vinh Long*
Sub-Dimension 4	*Personal Procedures*		*0.25*	*2.5*	*1.84*	*1.86*	*1.84*	*1.88*	*Minimum* *Median* *Maximum*	*1.66* *1.90* *2.06*	*Tra Vinh* *Nam Dinh* *Phu Tho*
S1. Certification Procedures	Applied for certification service (%)	d501	Min	Max	38.82%	37.52%	35.36%	39.68%	Minimum Median Maximum	18.07% 36.82% 70.18%	Ha Giang Ha Noi Dak Nong
S1. Certification Procedures	Total quality of certification procedures (8 criteria)	d503a-e, d503g-i	0	8	7.10	7.14	7.00	7.27	Minimum Median Maximum	5.38 7.38 7.85	Kien Giang Dong Nai Vinh Phuc
S2. Construction Permit	Applied for construction permit (%)	d505	Min	Max	4.89%	4.38%	3.43%	5.32%	Minimum Median Maximum	0.10% 2.89% 29.78%	Hung Yen Bac Ninh Dien Bien
S2. Construction Permit	Did not use many windows for construction permit (%)	d505d	0%	100%	92.86%	87.58%	80.47%	94.68%	Minimum Median Maximum	22.50% 96.62% 100%	Binh Duong Hau Giang Bac Giang
S2. Construction Permit	Received construction permit (%)	d505e	0%	100%	91.96%	92.70%	86.76%	98.65%	Minimum Median Maximum	43.76% 99.85% 100%	Dak Nong Son La Long An
S2. Construction Permit	Total quality of construction procedures (8 criteria)	d505fa-fe, d505fg-fi	0	8	6.82	6.55	6.14	6.96	Minimum Median Maximum	2.10 7.07 8.00	Phu Tho Dien Bien Yen Bai
S3. Land Procedures	Took part in land procedures (%)	d507	0%	100%	10.64%	8.38%	7.08%	9.68%	Minimum Median Maximum	0.23% 8.73% 18.80%	Bac Giang Soc Trang Gia Lai
S3. Land Procedures	Did not use many windows for land (%)	d507e	0%	100%	84.68%	78.03%	70.42%	85.63%	Minimum Median Maximum	9.56% 89.63% 100%	Quang Ninh Nghe An Tuyen Quang
S3. Land Procedures	Received land title (%)	d507g	0%	100%	82.48%	80.74%	74.78%	86.70%	Minimum Median Maximum	18.31% 83.96% 100%	Ha Giang Kien Giang Tra Vinh

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
S3. Land Procedures	Total quality of land procedures (8 criteria)	d507ha-hh	0	8	5.05	4.87	4.47	5.27	Minimum	0.32	Quang Ninh
									Median	5.03	Lang Son
									Maximum	7.79	Quang Ngai
S4. Personal Procedures	Took part in personal administrative procedures (%)	d508a-d508k	Min	Max	33.04%	33.15%	30.94%	35.37%	Minimum	15.32%	Tra Vinh
									Median	35.33%	Dien Bien
									Maximum	52.14%	Kon Tum
S4. Personal Procedures	Total quality of personal procedures (8 criteria)	d508d1a-d1e, d508d1g-d1i	0	8	6.79	6.91	6.74	7.08	Minimum	4.62	Lai Chau
									Median	7.13	Lang Son
									Maximum	7.93	Ben Tre
S4. Personal Procedures	Did not use many windows for personal procedures (%)	d508c1	0%	100%	93.14%	94.57%	92.83%	96.32%	Minimum	77.05%	Ca Mau
									Median	97.87%	Quang Ngai
									Maximum	100%	Bac Giang

(*) Min=Sample Minimum; Max= Sample Maximum

Public Certification Services

As in 2011, PAPI measures provincial performance in providing certification services to citizens at the district and commune levels. PAPI asked questions about the clarity of procedures, publicity of fees, behaviour and competence of civil servants, paperwork loads, notification of deadlines, receipt of results, and their overall satisfaction level with the service.

Certification services were the most commonly used among the four services studied, with 37.52% of the total population using the services at commune People's Committees, district justice offices, or in other public offices. Most of the users (92%) went to commune-level People's Committees for the service, while only 4.4% had it done in the district-level justice offices. This sub-dimension has a national mean of 1.67 with the 95% confidence interval ranging from 1.65 and 1.7 (see Table 3.5). Dak Nong performs well in providing certification service for citizens with the highest score of 2.07, while Phu Yen has the lowest score at 1.5.

Figure 3.5c shows the levels of agreement of respondents with statements about the quality of certification services. This indicator is scaled between 0 and 8, with 8 representing the sample maximum score aggregated from the eight criteria. On the whole, respondents are satisfied with the certification services since the national mean of this indicator is 7.14, which is close to the maximum score. Half of provinces score between 5.38 (Kien Giang) and 7.38 (Dong Nai), while Vinh Phuc emerges as a best performer in this indicator.

At the provincial level, more provinces see improvement in all eight criteria, as shown in the near-perfect shapes of the star graphs representing the top twenty provinces (see Figure 3.5c). However, the poorer performers need to improve in all or a few criteria to catch up with better performers. In particular, Kien Giang performs poorly in all eight criteria. Citizens in Lai Chau, Khanh Hoa and Thua Thien-Hue similar to 2011 were weak regarding certification fees being publicly displayed. Respondents from Cao Bang complained about the behaviour and competence of civil servants. Respondents from Binh Duong, Cao Bang, Dak Lak and Dien Bien continued to complain about cumbersome paperwork.

Figure 3.5c: Assessment of Quality of Certification Services
(Branch Size= % of respondents agreeing to the statements; Perfect =100% agreement)
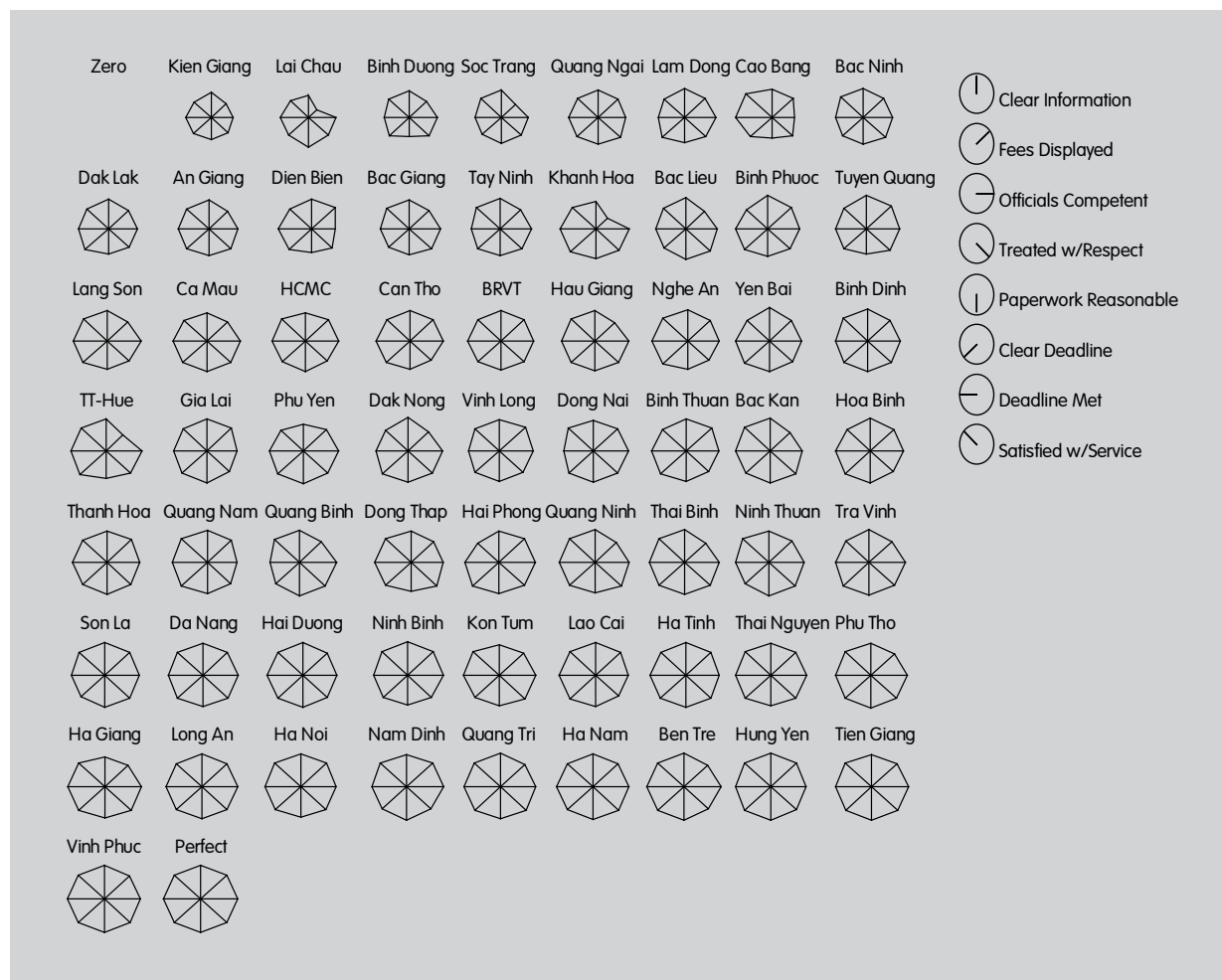
Application Procedures for Construction Permits

PAPI measures the quality of service in granting construction permits to civil construction projects, i.e. to build new houses, expand, or remodel houses in anything more than a basic way (with some exceptions for citizens in remote, unplanned areas) over the past three years.

As found in previous surveys, the number of applicants for construction permits in 2012 was very small at 4.42% of the total population. At the sub-dimension level, on the scale from 0.25-2.5 points, the national mean is the same with what was found in 2011 to be at 1.77, a little higher than the means in land procedures and certification service (see Table 3.5).

There is small variation across 63 provinces in the provincial scores in this sub-dimension. Dien Bien seems to do best in this sub-dimension with a score of 1.96, while Soc Trang attains the lowest score of 1.53.

Dien Bien continues seeing the largest percentage of respondents (29.78%) applying for these permits over the past three years, an exceptionally high number compared with other provinces, and three percentage points higher than in 2011. Hung Yen has the lowest percentage of applicants at 0.10%, much lower than the national mean of 4.42%.

Among applicants for construction permits at the national level, 87.58% said they did not have to go to different doors or meet different people to get their paperwork done. Bac Giang performs well in provision

of the service to citizens at the one-stop shops for construction permits with barely any of the applicants using many windows. In Binh Duong only 22.50% of the applicants said they did not have to visit more than one window. In Long An, 100% applicants said they received construction permits, while in Dak Nong only 43.76% obtained the result. In Son La, the province at the median score, 99.8% said they received the permits. Caution is advisable when these numbers are used due to the reported small number of applicants for construction permits in each province.

The star graphs in Figure 3.5d show the levels of agreement of respondents with given statements designed for an examination of the total quality of the service. The graph shows findings for provinces where more than 15 respondents in the provinces' applied for construction permits. The star graphs depicts significant variation across provinces. Compared with Vinh Phuc , Quang Binh and Phu Yen, whose total quality scores are closest to perfect, Tuyen Quang and Ho Chi Minh City are exceptionally poor. Tien Giang, whose scores in all eight criteria were closest to perfect in 2011, needs improvement in transparency in fees and charges. Dong Nai receives complaints from applicants about not publicizing application fees and not meeting deadlines, which result in low overall satisfaction. Lai Chau has issues with the clarity of information about procedures, fees and charges. Dak Nong faces issues with unpublished fees while Quang Nam has complaints about cumbersome paperwork and the attitude and competence of civil servants.

Figure 3.5d: Assessment of Construction Permit Application Procedures
(Branch Size= % of respondents agreeing to the statements; Perfect =100% agreement)

Note: Provinces listed here are those with more than 15 applicants in the total sample having applied for the construction permits
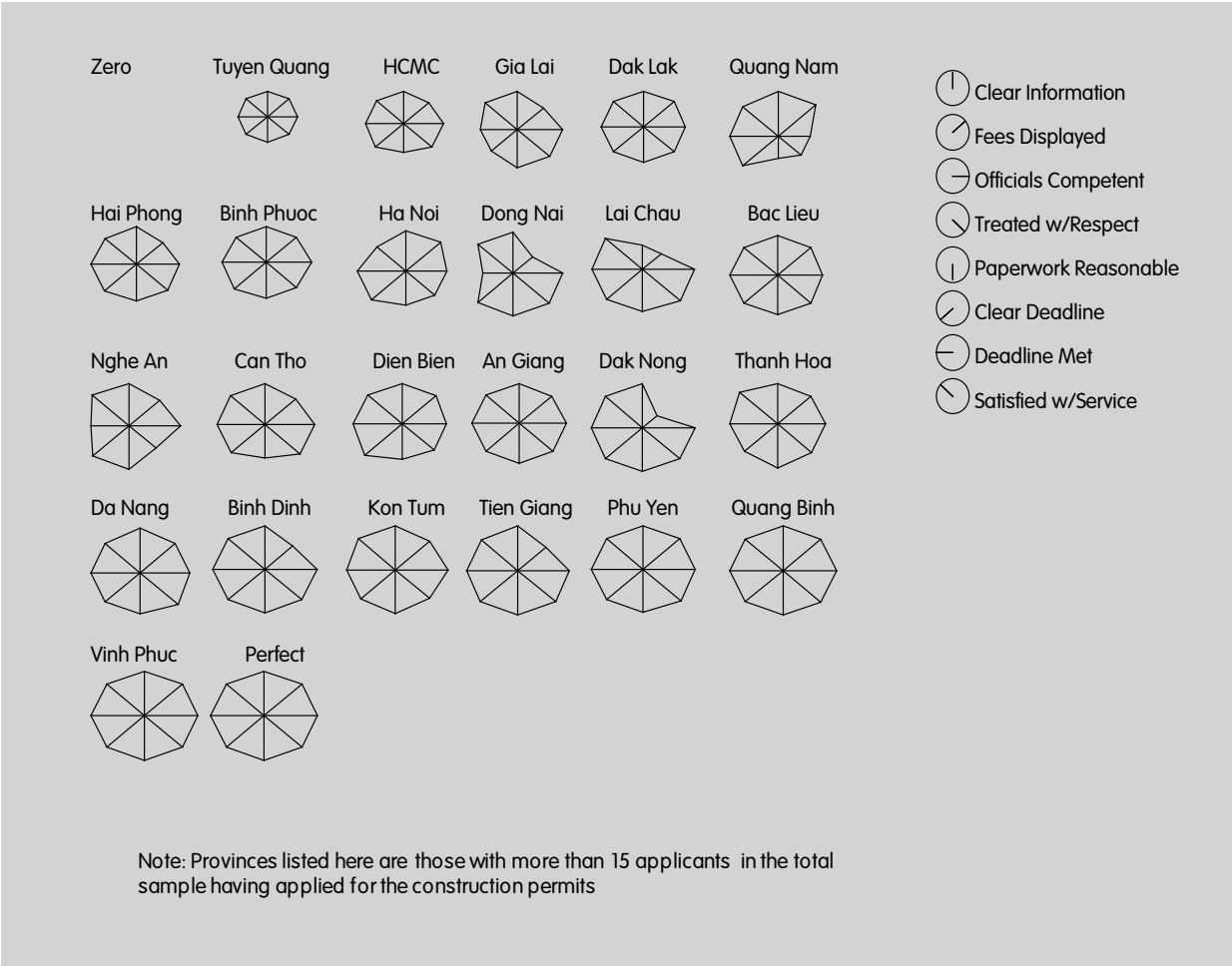
Application Procedures for Land Use Rights Certificates

PAPI measures provincial performance in the provision of land use rights certificates (LURCs) for citizens and in ensuring the quality of LURC related administrative services. It covers application procedures for new LURCs, LURC renewals, and transferring LURCs at provincial, district and commune levels. Similar to other batteries about administrative procedures, the indicators about LURCs include questions about the proportion of people that submit applications for LURCs, the availability of the OSS service, the simplicity and clarity of procedures, publicity of fees, the behaviour and competence of civil servants, deadlines for results, timeliness of results, and overall satisfaction with the service.

Among the 1,576 respondents (or 8.38% of the whole sample) whose households have applied for LURCs over the past three years, 25.6% applied for new LURCs, 12.58% for renewed LURCs, and 61.77% for transfer of their LURCs. About 72% conducted the procedures at commune/ward People's Committees and 13.72% at district People's Committees.

Table 3.5 shows that this sub-dimension sees the lowest score of all four types of administrative procedures with a score of 1.57 points on the same scale from 0.25-2.5 points, which is almost the same as in 2011. Vinh Long earns the highest score of 1.82,[46] and Quang Ninh the lowest score of 1.18. Provinces tend to concentrate in the middle portion on the scale, meaning that more efforts

need to be done to improve provincial performance in LURC-related administrative services.

Table 3.5 suggests that a majority of users of this service did not need to go to more than one office to get their LURC application done, although as compared with 2011 the score is somewhat lower. At the national level, 78.03% said that they did not have to go to different offices (or call in many 'windows') to have their paperwork processed, a 6% decline from 2011. The province that has the largest proportion of applicants not using many windows for LURCs is Tuyen Quang (100%), and the province with the smallest proportion is Quang Ninh (9.56%). The positive signal however is that half of 63 provinces fall between the range from 89.63% (Nghe An) and 100% (Tuyen Quang).

One indicator in this sub-dimension measures whether applicants received their final results. About 80.74% of the applicants were successful, a 2% decline from 2011. In Tra Vinh, 100% of applicants are successful, while in Ha Giang the proportion is 18.3%. Most applicants received their final results after 30 days, but the length differs greatly at the individual level, ranging from one day to 720 days.

On the total quality of LURC application processes (see the legend in Figure 3.5e), there is remarkable difference across provinces. The national mean is 4.87 on the scale from 0-8 points. The star graphs in Figure 3.5e present 43 provinces where more than 15 applicants responded about any of the three types of procedures queried. The poorest ten performers in all eight criteria are mostly northern provinces, with the exception of Ho Chi Minh City, An Giang and Kien Giang. Best performers however have uneven performance levels. In particular, Hau Giang seems to have weaknesses in transparency in fees and charges, and of timely service delivery. Paperwork remains cumbersome in Vinh Long. Bac Giang has made significant improvement in competence of civil servants as compared with 2011, while the province needs to enhance transparency of application fees. And Phu Tho province scores remarkably low in returning applications on time.

[46]. Vinh Long is one of the southern provinces that are reported to have excelled in provision of LURCs to all citizens in the provinces in 2012. See Government of Viet Nam E-Newspaper (03/03/2013). *Để cấp thêm 6 triệu giấy chứng nhận quyền sử dụng đất.* [More than 6 million land tittles need being granted to households]. An excerpt from the interview with the Viet NamTelevision by the Minister of Environment and Natural Resources. Available at http://baodientu.chinhphu.vn/Home/De-cap-them-6-trieu-giay-chung-nhan-quyen-su-dung-dat/20133/163011.vgp (Accessed on 11/03/2013).

Figure 3.5e: Assessment of LURCs Application Procedures
(Branch Size= % of respondents agreeing to the statements in the legend; Perfect =100%)

Zero   Ha Giang   Lai Chau   HCMC   Tuyen Quang   Yen Bai   Bac Ninh

An Giang   Bac Kan   Ha Noi   Kien Giang   Hai Duong   Hoa Binh   Quang Tri

Nam Dinh   Tay Ninh   Dong Nai   Binh Thuan   Cao Bang   Ha Tinh   Thai Nguyen

Kon Tum   Lang Son   Gia Lai   Thanh Hoa   Ninh Binh   Vinh Phuc   Soc Trang

Nghe An   Dak Nong   Ca Mau   BRVT   Lam Dong   Dong Thap   Binh Phuoc

Long An   Tien Giang   Dien Bien   Ben Tre   Quang Binh   Dak Lak   Phu Tho

Bac Giang   Vinh Long   Hau Giang   Perfect

Legend:
- Clear Information
- Fees Displayed
- Officials Competent
- Treated w/Respect
- Paperwork Reasonable
- Clear Deadline
- Deadline Met
- Satisfied w/Service

Note: Provinces listed here are those with more than 15 applicants in the total sample having applied for the construction permits

Application Procedures for Personal Documents at Commune Level

This sub-dimension measures the performance of commune-level People's Committees in addressing applications for different types of personal documents. It covers administrative procedures such as birth certificates, death notifications, marriage certificates, ethnicity related procedures, residency registrations, housing subsidies, and employment subsidies.[47]

The national mean score for this sub-dimension (1.86) is the highest of all four types of procedures measured. The overall score rose 1% compared to 2011. The difference between the maximum and minimum score is also the smallest (2.06 in Phu Tho compared with 1.66 in Tra Vinh). This suggests that citizens seem to be satisfied with commune-level performance in provision of personal documents. It should be noted that at the national level, around 33.2% of the respondents

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[47]   These eight types of personal papers were selected based on the list of administrative procedures that commune-level People's Committees are delegated to process for citizens.

applied for one or a few of the listed procedures over the course of one year. In Kon Tum, 52.14% of the respondents used one of these services while in Tra Vinh only 15.32% did so.

On the total quality of the service (see Figure 3.5g), across the 63 provinces, there seems to be uniformity in commune level performance. The national mean in this indicator is 6.91 on a 0-8 scale, a little higher than the 2011 mean of 6.79. Half of the provinces score from 7.13-7.93 points, while the difference between the highest score of 7.93 (Ben Tre) and the lowest score of

4.62 (Lai Chau) is narrower compared to the sub-dimensions on construction permits and LURCs.

As observed in 2011, although there is a relatively high level of satisfaction with these services nationwide, there is still some variation, especially between the top and the bottom performers. Figure 3.5g shows that in 2012 Lai Chau once again performed poorly in all eight criteria measured, while Ben Tre takes over Ba Ria-Vung Tau's 2011 top position in this indicator.

Figure 3.5g: Assessment of Commune-level Administrative Procedures
(Branch Size= % of respondents agreeing to the statements in the legend; Perfect =100%)
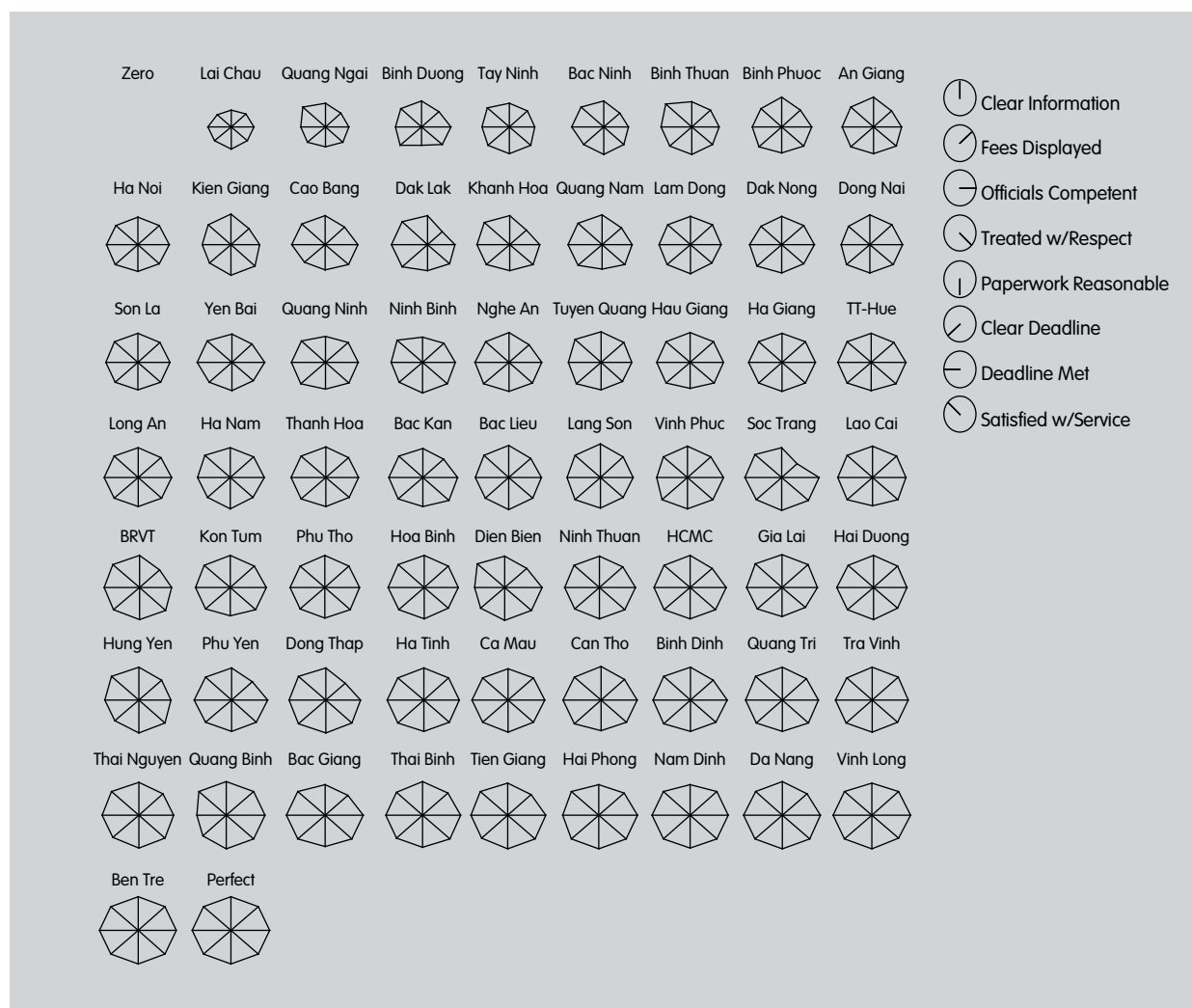
3.6. DIMENSION 6: PUBLIC SERVICE DELIVERY

Map 3.6: Provincial Performance in Public Service Delivery by Quartiles

Dimension 6:
Public Service Delivery 2012

Legend

Public Service Delivery

- Best Performers
- High Average
- Low Average
- Poor Performers
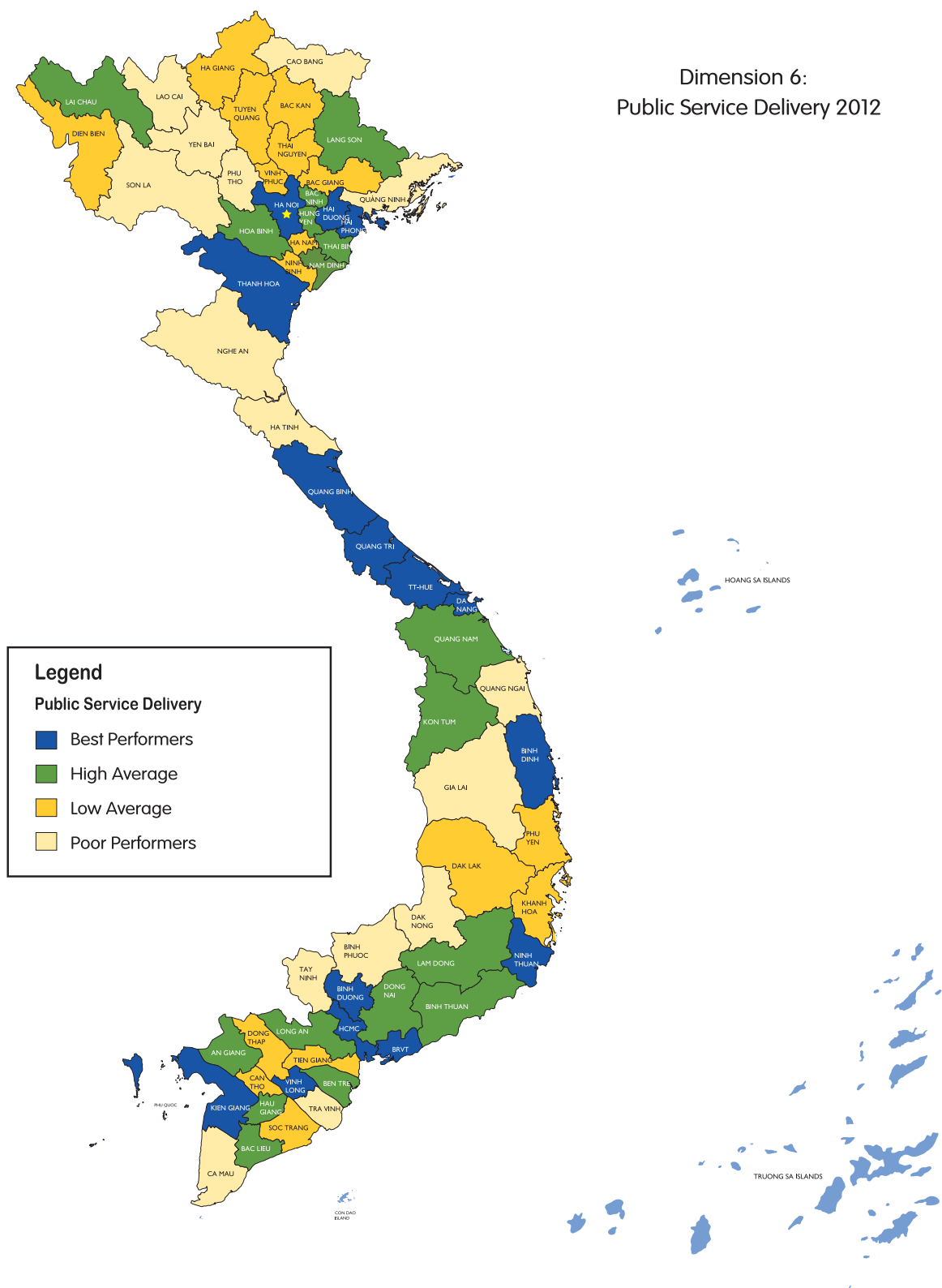
This dimension examines the quality of public service delivery through four key public services which represent the four sub-dimensions: (i) public health care, (ii) public primary education, (iii) basic infrastructure, and (iv) residential law and order. Similar to previous waves of PAPI, respondents were asked about their direct experiences with the accessibility, quality and availability of basic public services in their communes/wards, districts, and provinces. They were also asked how responsive local authorities are to the basic needs and demands of citizens, and, perhaps most importantly, the usage and efficiency of public investment in these areas.

On the whole, there is some improvement in provincial performance in public service delivery in 2012 (see Table 3.6). The national mean score in this dimension is at 6.9 points in 2012—a 2.29 percentage point increase from 2011 (with 95% confidence intervals ranging from 6.84 to 6.95). This dimension also gains the highest aggregate national score among all six dimensions, and is at a 'good' level on the scale of 1-10 points. Improvement in basic infrastructure contributes most greatly to the increase in the national score, with a rise by 5.83%. This improvement is followed by a more modest 1.66% improvement in health care services. The two sub-dimensions 'primary education' and 'law and order' saw very little improvement over the past two years.

When grouped into quartiles, regional patterns are not as visible they were in 2011 (see Map 3.6). Provinces that score above the 75th percentile with mean point estimates ranging from 7.02 to 7.65 come from all regions. Centrally-governed municipalities maintained their good performance in public service delivery, mostly due to accessible and good quality basic infrastructure (see Figure 3.6a). In the top percentile are poorer central provinces such as Quang Binh, Ninh Thuan, Quang Tri, Binh Dinh and Thanh Hoa.

Poorest performers are scattered in northern mountainous, central highlands, south central, and southern provinces with their point estimates ranging from 5.92 to 6.58. Tay Ninh, Dak Nong, Ca Mau, Gia Lai, Yen Bai, Binh Phuoc, Cao Bang and Son La are

among this group. The poor quality of roads, the lack of access to tap water, the unavailability of electricity, and the distribution of garbage collection services are problematic in these provinces. Some year-on-year decline is also observed in mean score values of this lowest percentile.

As depicted in Figure 3.6a and Table 3.6, among the four sub-dimensions, the sub-dimension on basic infrastructure sees the largest variation across provinces, while law and order seems to be consistently averaged across the country. Da Nang once again scores the highest of all provinces at 7.65, a little higher than its own 2011 top-ranked score, also within a very narrow variation across individual experiences.[48] Meanwhile, Tay Ninh joins Dak Nong in the lowest scoring at 5.9 (see Table 3.6) and key attributions are poor primary education and basic infrastructure.[49]

Figure 3.6b provides a sense of a year-on-year comparison at the provincial level. Citizens in two-thirds of 63 provinces have seen some improvement in public service delivery. With a 5 percentage point change indicating a significantly positive or negative development over time, as many as 17 provinces have made progress since 2011. The largest improvements are seen in Ha Giang at 16%, followed by Thua Thien-Hue, Nam Dinh, Binh Thuan and Binh Phuoc. Notable declines are seen in the cases of Tay Ninh, Tra Vinh and Son La. Ha Noi sees a 0.5% decline in citizens' satisfaction with its performance. Lang Son, Dong Thap and Phu Tho remained at the same level as 2011.

[48.] See website www.papi.vn for detailed information about 95% confidence intervals for each province.

[49.] Dak Nong ranks the lowest 2011 in this dimension. See CECODES, FR, CPP & UNDP (2012), p. 85.

Figure 3.6a: Public Services Delivery (Dimension 6)
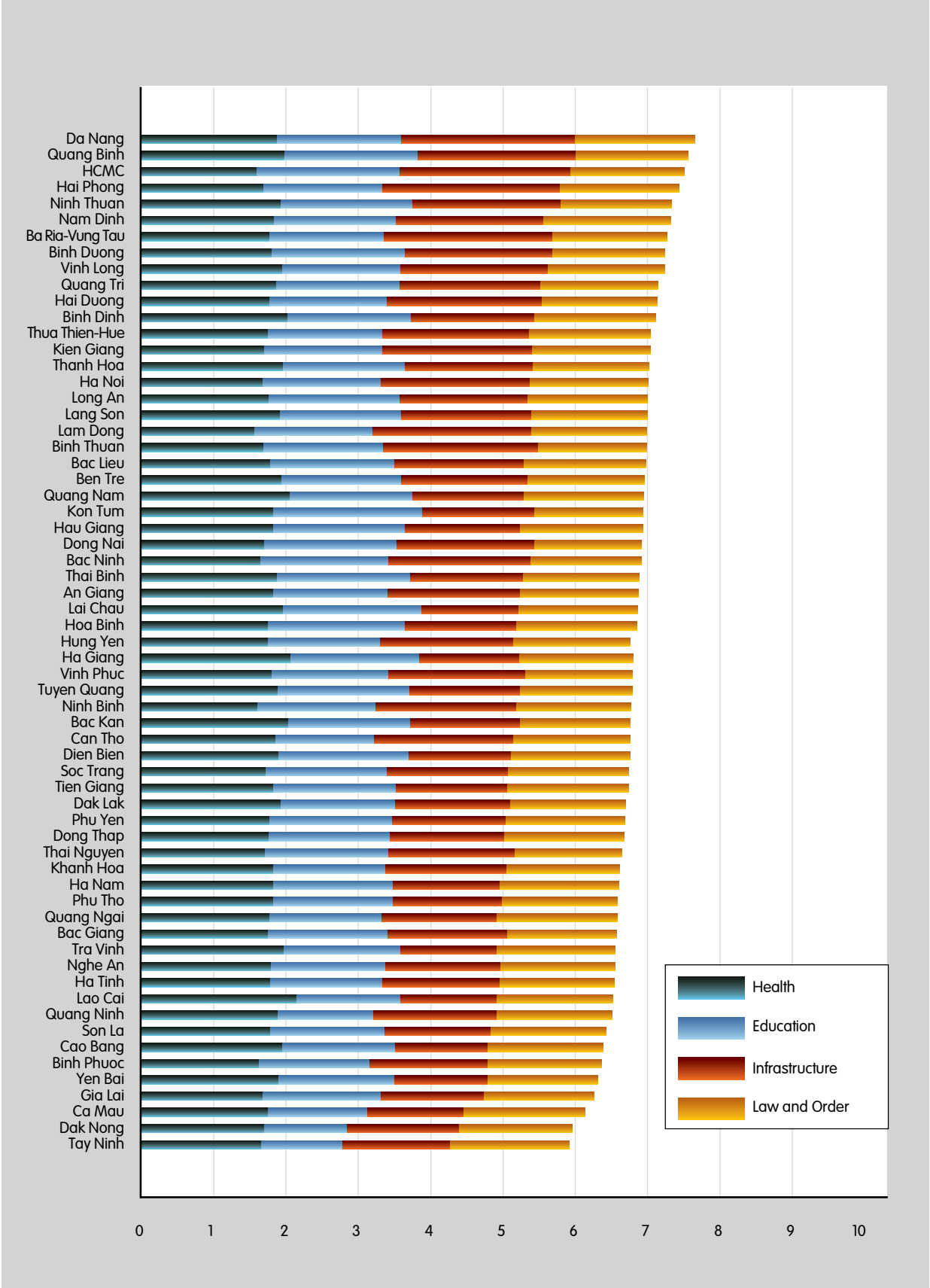
Figure 3.6b: Year-on-year Changes in Public Service Delivery (2011-2012)

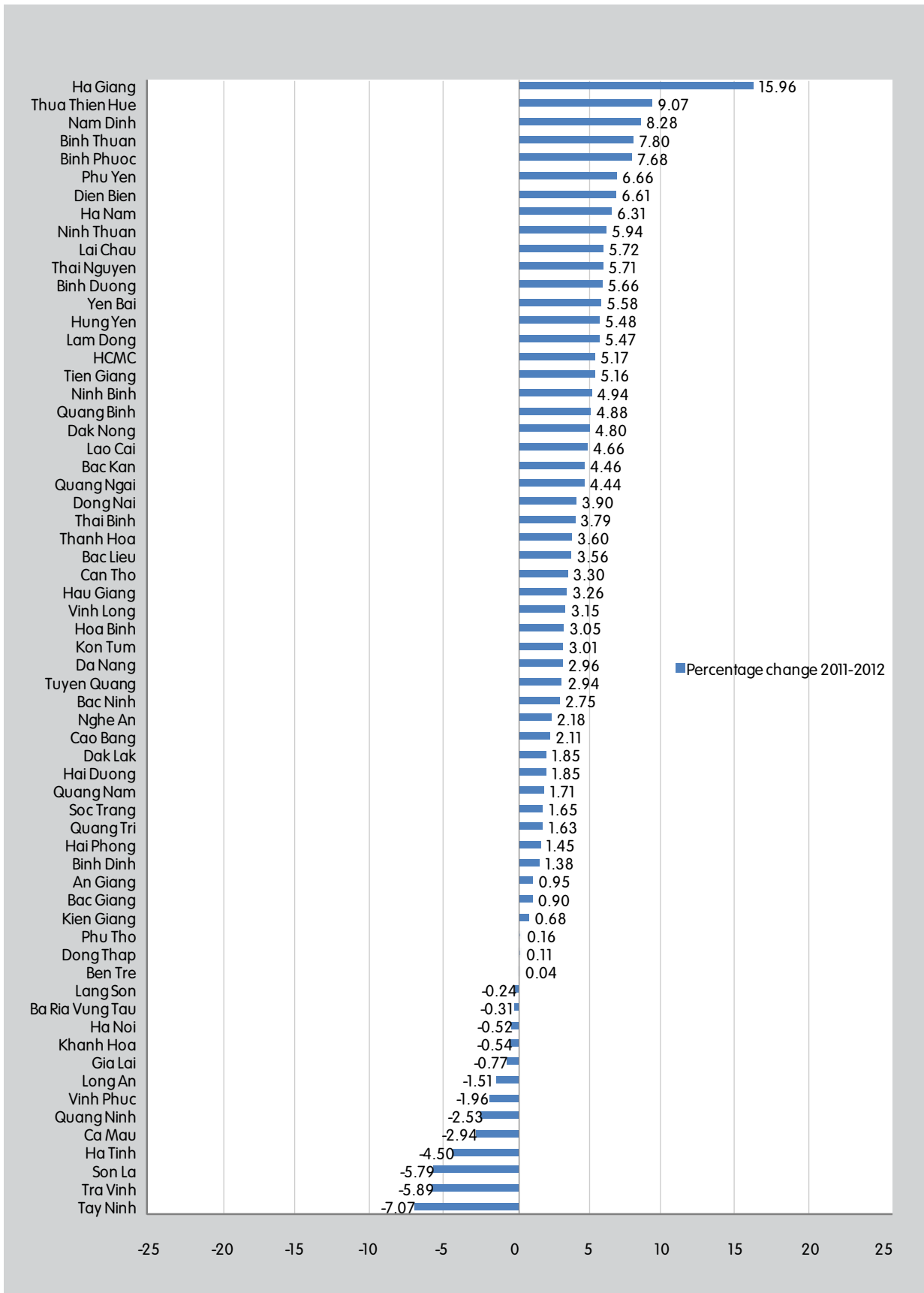| Province	Percentage change 2011-2012
Ha Giang	15.96
Thua Thien Hue	9.07
Nam Dinh	8.28
Binh Thuan	7.80
Binh Phuoc	7.68
Phu Yen	6.66
Dien Bien	6.61
Ha Nam	6.31
Ninh Thuan	5.94
Lai Chau	5.72
Thai Nguyen	5.71
Binh Duong	5.66
Yen Bai	5.58
Hung Yen	5.48
Lam Dong	5.47
HCMC	5.17
Tien Giang	5.16
Ninh Binh	4.94
Quang Binh	4.88
Dak Nong	4.80
Lao Cai	4.66
Bac Kan	4.46
Quang Ngai	4.44
Dong Nai	3.90
Thai Binh	3.79
Thanh Hoa	3.60
Bac Lieu	3.56
Can Tho	3.30
Hau Giang	3.26
Vinh Long	3.15
Hoa Binh	3.05
Kon Tum	3.01
Da Nang	2.96
Tuyen Quang	2.94
Bac Ninh	2.75
Nghe An	2.18
Cao Bang	2.11
Dak Lak	1.85
Hai Duong	1.85
Quang Nam	1.71
Soc Trang	1.65
Quang Tri	1.63
Hai Phong	1.45
Binh Dinh	1.38
An Giang	0.95
Bac Giang	0.90
Kien Giang	0.68
Phu Tho	0.16
Dong Thap	0.11
Ben Tre	0.04
Lang Son	-0.24
Ba Ria Vung Tau	-0.31
Ha Noi	-0.52
Khanh Hoa	-0.54
Gia Lai	-0.77
Long An	-1.51
Vinh Phuc	-1.96
Quang Ninh	-2.53
Ca Mau	-2.94
Ha Tinh	-4.50
Son La	-5.79
Tra Vinh	-5.89
Tay Ninh	-7.07

Table 3.6: List of Indicators on Public Service Delivery (Dimension 6)

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
Total Dimension	**Dimension 6: Public Service Delivery**		**1**	**10**	**6.75**	**6.90**	**6.84**	**6.95**	**Minimum**	**5.92**	**Tay Ninh**
									Median	**6.82**	**Hung Yen**
									Maximum	**7.65**	**Da Nang**
Sub-Dimension 1	*Public Health*		*0.25*	*2.5*	*1.75*	*1.78*	*1.76*	*1.80*	*Minimum*	*1.56*	*Lam Dong*
									Median	*1.81*	*Vinh Phuc*
									Maximum	*2.15*	*Lao Cai*
Sub-Dimension 2	*Primary Education*		*0.25*	*2.5*	*1.65*	*1.67*	*1.64*	*1.69*	*Minimum*	*1.12*	*Tay Ninh*
									Median	*1.66*	*Ha Nam*
									Maximum	*2.06*	*Kon Tum*
Sub-Dimension 3	*Basic Infrastructure*		*0.25*	*2.5*	*1.75*	*1.85*	*1.80*	*1.90*	*Minimum*	*1.28*	*Yen Bai*
									Median	*1.67*	*Khanh Hoa*
									Maximum	*2.46*	*Hai Phong*
Sub-Dimension 4	*Law and Order*		*0.25*	*2.5*	*1.60*	*1.60*	*1.59*	*1.61*	*Minimum*	*1.48*	*Vinh Phuc*
									Median	*1.60*	*Thanh Hoa*
									Maximum	*1.76*	*Nam Dinh*
S1. Public Health	Share with health insurance (%)	d601	0%	100%	53.95%	53.00%	49.50%	56.50%	Minimum	30.80%	Phu Yen
									Median	58.84%	Quang Ngai
									Maximum	94.66%	Lao Cai
S1. Public Health	Quality of health insurance (4 pt scale)	d601b	0	4	3.30	3.33	3.29	3.36	Minimum	2.87	Hai Phong
									Median	3.35	Can Tho
									Maximum	3.79	Lai Chau
S1. Public Health	Quality of free medical care for kids (5 pt scale)	d603c	0	5	3.85	3.92	3.85	3.98	Minimum	3.08	Binh Phuoc
									Median	3.98	Ca Mau
									Maximum	4.56	Cao Bang
S1. Public Health	Poor households are subsidized (%)	d602	0%	100%	72.21%	75.05%	72.95%	77.15%	Minimum	51.17%	HCMC
									Median	77.57%	Kon Tum
									Maximum	92.49%	Hai Duong
S1. Public Health	Checks for children are free (%)	d603a	0%	100%	69.55%	73.03%	68.56%	77.50%	Minimum	49.61%	Thai Nguyen
									Median	76.33%	Da Nang
									Maximum	99.85%	Ha Giang
S1. Public Health	Total hospital quality (10 criteria)	d604da-d604dk	0	10	5.49	5.57	5.35	5.79	Minimum	3.27	Bac Giang
									Median	5.74	Hai Phong
									Maximum	8.85	Son La
S2. Primary Education	Kilometer walk to school	d606ca	Min	Max	0.99	0.95	0.93	0.98	Minimum	0.50	Multiple
									Median	1.00	Multiple
									Maximum	2.00	Multiple
S2. Primary Education	Minutes to School	d606cb	Min	Max	10.06	9.71	9.42	9.99	Minimum	5.00	Multiple
									Median	10.00	Multiple
									Maximum	15.00	Multiple
S2. Primary Education	Rating of primary school (5 pt scale)	d606ce	0	5	3.86	3.96	3.90	4.01	Minimum	3.31	Son La
									Median	3.91	Tuyen Quang
									Maximum	4.27	Hau Giang

Dimension and Sub-Dimensions	Name of Indicator	Survey Question	Scale		National Mean		National PAPI 2012 (95% CI)		Provincial Scores		
			Min	Max	PAPI 2011	PAPI 2012	Low	High	Status	Scores	Provinces
S2. Primary Education	Total school quality (9 criteria)	d606cda-cdi	0	9	4.43	4.88	4.58	5.19	Minimum	2.98	Ha Tinh
									Median	4.84	Kien Giang
									Maximum	7.18	Quang Binh
S3. Infrastructure	Households with electricity (%)	d607	0%	100%	97.04%	97.76%	96.97%	98.55%	Minimum	53.4%	Dien Bien
									Median	99.39%	Ha Noi
									Maximum	100%	Multiple
S3. Infrastructure	Quality of road (1=All Dirt; 4=All Asphalt)	d608	1	4	2.80	2.85	2.77	2.92	Minimum	1.41	Yen Bai
									Median	2.81	Thai Nguyen
									Maximum	3.71	Hai Phong
S3. Infrastructure	Frequency of garbage pick-up (0=Never; 4=Everyday)	d609	0	4	1.92	2.42	2.15	2.69	Minimum	0.12	Ca Mau
									Median	1.62	Tay Ninh
									Maximum	5.10	Ninh Binh
S3. Infrastructure	Share drinking tap water (%)	d610=5 or 6	0%	100%	34.80%	42.07%	37.05%	47.09%	Minimum	0.56%	Gia Lai
									Median	25.99%	Ca Mau
									Maximum	100%	Hai Phong
S3. Infrastructure	Share drinking unclean water (%)	d610=1 or 2	0%	100%	6.45%	6.41%	4.64%	8.18%	Minimum	0%	Quang Ngai
									Median	1.05%	Ha Tinh
									Maximum	67.31%	Ha Nam
S4. Law and Order	How safe is your locality (3=Very Safe)	d510a	1	3	1.97	1.97	1.94	2.00	Minimum	1.64	Bac Giang
									Median	1.97	Tra Vinh
									Maximum	2.47	Nam Dinh
S4. Law and Order	Change in safety over time	d510a-d510b	Min	Max	8.09%	10.96%	8.35%	13.57%	Minimum	-17.04%	Vinh Phuc
									Median	8.93%	Quang Nam
									Maximum	32.45%	Ca Mau
S4. Law and Order	Crime rate in locality (% Victim of Crime)	d511a-d511d	0%	100%	18.26%	17.17%	14.61%	19.97%	Minimum	3.38%	Hoa Binh
									Median	15.23%	TT-Hue
									Maximum	61.78%	Thai Nguyen

(*) Min=Sample Minimum; Max= Sample Maximum

Public Health Care

This sub-dimension studies the overall quality of public hospitals at the district level. It also provides a snapshot of effectiveness of public health insurance, the availability of free medical checks for children under six years old, and free health care for the poor.

Table 3.6 presents the main findings of these indicators. On the 0.25-2.5 point scale, the national mean in 2012 was 1.78, almost the same as in 2011. The median score was 1.81, meaning that citizens are reasonably satisfied with public health care at the district level. Lao Cai scored the highest with 2.15 points. Lam Dong once

again scored lowest with 1.56 points, although it did increase from its 1.47 score in 2011.

The star graphs in Figure 3.6c reveal how much respondents agree with the ten 'best practice' criteria based on direct experiences at district/ward public hospitals. The findings come from direct experiences of 75.15% of the respondents that used district hospitals.[50]

[50]. It should be noted that of those who have used a medical care facility over the past three years (see the battery of D604 questions in the Questionnaire on www.papi.vn), 74.9% used district hospitals, 30.4% used private hospitals, 7.4% used centrally-governed hospitals located in their provinces, and 43.8% went to provincial hospitals. This is similar to what was observed from PAPI 2011 findings.

Figure 3.6c: Citizens' Assessment of District Public Hospitals
(Branch Size= % of respondents agreeing to the statements in the legend; Perfect =100%)
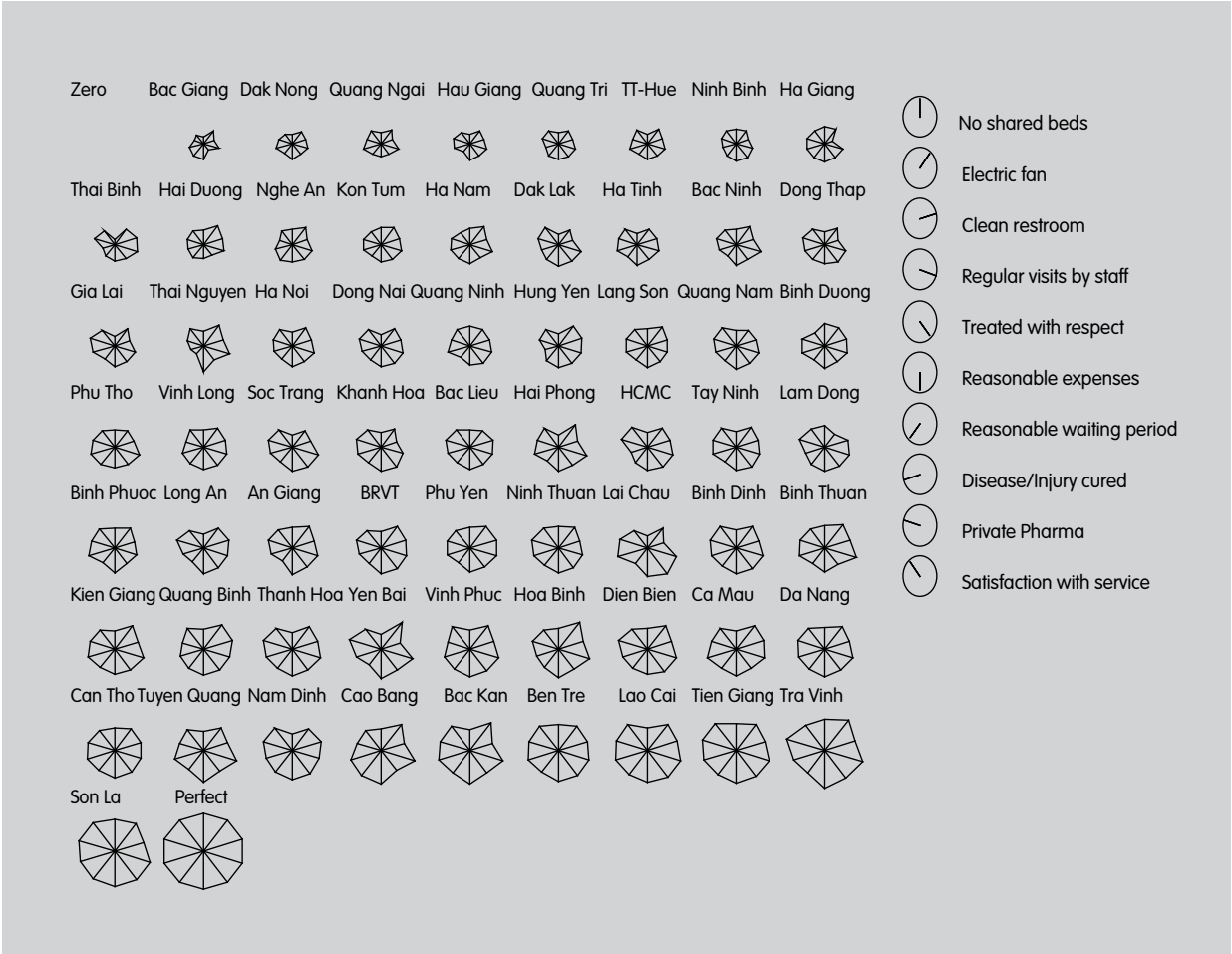
The different scores on the different criteria reflect the fact that provinces have different strengths and weaknesses regarding quality of district hospitals. On a 0-10 point scale, the national mean is 5.57 points, which is essentially unchanged from 2011. Son La once again scored the highest with 8.85, while Bac Giang was the lowest at 3.27. Hai Phong had the median score of 5.74 points. In terms of specific indicators, respondents are most critical of the problems of patients sharing beds and the failure of treatment to fully cure illnesses.

It is worth noting that poorer provinces (e.g. Son La, Tra Vinh, Tien Giang and Lao Cai) are among the top ten performers in this indicator. On the other hand, richer provinces like Bac Giang, Thua Thien-Hue and Hai Duong are among the ten lowest performers. Among

the five centrally-managed municipalities, Can Tho and Da Nang are among the top ten, while Ho Chi Minh City, Hai Phong and Ha Noi are among the average group.

On access to health insurance, at the national level, 53% of respondents have health insurance cards, a slight decline from 53.9% in 2011. Also compared with 2011, there is a narrower gap between the best and worst performing provinces with 94.66% in Lao Cai and 30.8% in Phu Yen. The median score is 58.84%, meaning that more than half the provinces provide more than half of their citizens with health care coverage. Among those holding health insurance cards, 48.2% have free health insurance provided by the state, 40.7% have voluntary health insurance, and 11.5% have compulsory health insurance.

On the quality of health insurance, the national mean score is about the same with that in 2011. The average score is 3.33 points on a 4 point scale. This suggests that most of the users find health insurance useful. Users in Lai Chau rated quality the highest, with a score of 3.79, while users in Hai Phong were not very satisfied with a score of 2.87.

A large majority of poor households are entitled to health insurance subsidies, as nearly 75% of the respondents find that the policy is implemented in their communes. In Hai Duong, over 92.49% agree that the subsidy is in effect, while the level is only 51.17% in Ho Chi Minh City. In terms of free health checks for children under 6 years old, 99.85% of the respondents in Ha Giang agree that the subsidy is available, a total reverse to what was found in 2011 when Ha Giang had the lowest percentage. Da Nang moved from the maximum to the median score in 2012 with 76.33% of respondents seeing the free service in place.

### Public Primary Education

This sub-dimension is constructed from four indicators, including: (i) distance from home to schools in kilometres, (ii) length of time required for school children to go to school in minutes, (iii) total quality of primary schools based on nine criteria, and (iv) rating of primary school quality on a 1-5 point scale. These are among a few minimum standard criteria that primary education users can assess against upon their direct experience.

When compared with the national mean at 1.67 points on the 0.25-2.5 point scale, most provinces perform relatively well in the overall sub-dimension score (see Table 3.6). However, there is virtually no change from 2011. Kon Tum replaces Long An as the province with the highest point estimate at 2.06, while Tay Ninh replaces Dak Nong at the bottom of the provincial scores. The median score in this indicator was virtually the same as 2011 at 1.65.

Figure 3.6d consists of star graphs showing how provinces perform in the total quality as well as by each criterion. The national mean in the total quality is 4.88 on a scale from zero to nine 'best practice' criteria, a little better than in 2011. Primary schools in Quang Binh meet more of the selected criteria than other provinces (7.18), while Ha Tinh saw a dramatic drop in its score, from the highest in 2011 (6.08 points) to the lowest in 2012 (2.98 points).

Figure 3.6d: Citizens' Assessment of Public Primary Schools
(Branch Size= % of respondents agreeing to the statements in the legend; Perfect =100%)
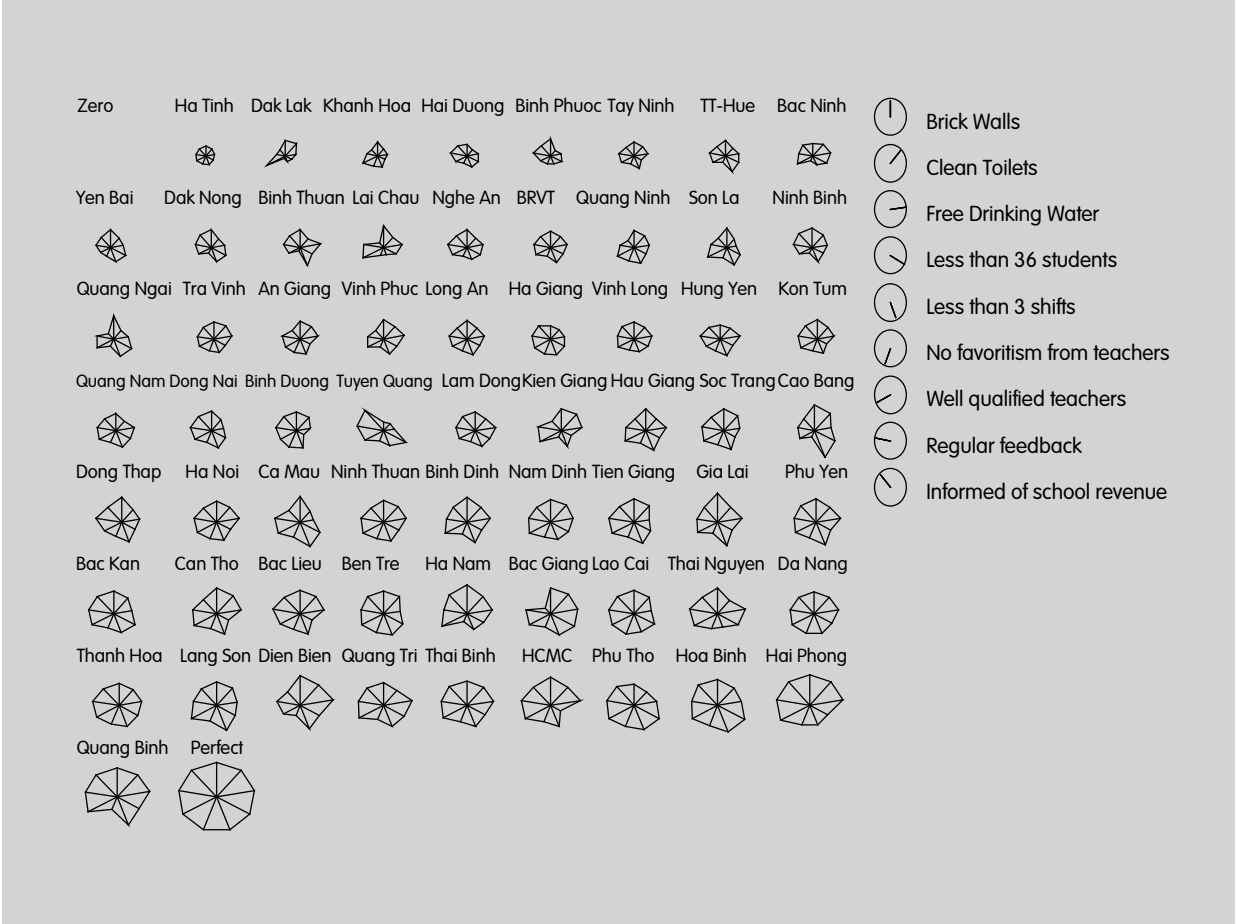
The star graphs show provinces have different strengths and weaknesses with public primary schools. The top ten provinces are from different economic development backgrounds (e.g. Quang Binh, Hai Phong, Hoa Binh, Phu Tho and Ho Chi Minh City). The most complained about aspects in Quang Binh, whose score is closest to the perfect, are teacher bias towards school children taking extra classes, insufficient classes resulting in three shifts and crowded classes. The same weaknesses are seen in Hai Phong and Ho Chi Minh City. The star graphs in Figure 3.6d also hint that all provinces need to do a lot more to meet the minimum quality criteria.

Similar to 2011, most respondents with children in primary schools find the overall quality of primary education between average and good, evident in the national mean score of 3.96 on the scale from one (very poor) to five (very good). The rating in Hau Giang is remarkably high at 4.27. Son La respondents rated education as only average.

The national median distance from home to the nearest primary schools is 0.95 km and the median length in time is 9.7 minutes, about the same with what was found in 2011. These indicate reasonable distances and times for primary school children to walk to class.

Basic Infrastructure

This sub-dimension looks at household access to electricity, the quality of roads nearest to the house, the

frequency of garbage pick-ups in residential groups, and the quality of drinking water. It aims to measure how such basic infrastructure is experienced by citizens against what is supposed to be provided by local governments.

At the national level, there seems to be some improvement in basic infrastructure, with a year-on-year rise by some 5.83 percentage point against 2011. Hai Phong maintained its top position with the highest score of 2.46 points, which is the close to the maximum score of 2.5. On the contrary, the mountainous province of Yen Bai performs poorly in this sub-dimension, with a score of only 1.28.

On access to electricity, although some provinces score as high as 97.76% of the households with access to electricity, the difference between the median performing province (Ha Noi with 99.4%) and the poorest performing province (Dien Bien with 53.4%) is still large. Dien Bien did not seem to make any progress in electricity coverage for its citizens over the past two years.

Findings about access to quality roads, garbage collection and clean drinking water are interestingly the same with those in 2011. In Yen Bai, there are more dirt and gravel roads, while in Hai Phong, respondents use exclusively paved roads. This shows some difference between urban and rural provinces. On garbage collection frequency, Ninh Binh is catching up with Da Nang to be the best performer with respondents confirming that garbage is collected on a daily basis. From all provinces, the frequency of garbage collection is lowest in Ca Mau, similar to what was found in 2010 and 2011.

Once again, Hai Phong has the largest population (100%) having access to tap water, while barely 0.5% of respondents in Gia Lai use tap water. On access to clean drinking water, around 42% of the respondents said they get access to tap water in home as primary source of drinking water, as opposed to 6.4% to untreated water from rivers, streams, lake, or rainwater. The median percentage of nearly 30% means that in most of the provinces, access to tap water for drinking remains limited.

Law and Order

Law and order at the residential level measures the level of safety that citizens experience in everyday life. In this sub-dimension, three indicators are presented including the level of safety in localities, change in safety over time, and victims of vehicle theft, robbery, break-ins, or physical violence.

Compared with 2011, there seems little improvement in law and order. The national mean remains at 1.60 points, while the ideal score for this sub-dimension is 2.5. Nam Dinh seems to be a relatively safe place to live, while safety in Vinh Phuc concerns citizens as around 17% of them observed some negative developments regarding the four surveyed crimes. Citizens in Ca Mau have seen improvement in residential safety in their province, with 32.45% of the respondents observing the positive trend. At the national level, around 11% observed some positive change with law and order in their localities, a little higher than in 2011.

The lack of safety experienced by respondents in the past year remains worrisome, although marginally less than 2011. As many as 17.2% of the respondents reported being victims of one of the four types of crimes. As many as 61.8% of the respondents in Thai Nguyen were victims over the course of 12 months before the survey, as opposed to barely 3.38% in Hoa Binh. Unsafe living environments are reported in almost all provinces at significant levels. Similar to what was found in 2011, the most common forms of crime are home break-ins and vehicle theft, and can be found in a wide range of provinces, especially Thai Nguyen, Yen Bai, Kon Tum, and Binh Duong, Thai Nguyen and Bac Ninh experienced a large number of vehicle thefts.

3.7. AGGREGATION OF DIMENSIONS INTO COMPOSITE PAPI

Following previous PAPI reports in 2010 and 2011, in an effort to facilitate overall comparisons among provinces this section aggregates all of the previous dimensions into a single index. Three methods are used to construct these indexes. The objective is to allow readers to select the approach they deem to be most beneficial according to their needs. Nevertheless, readers are reminded that despite the rankings, PAPI's philosophy is that analysts should focus on the dimensions and sub-dimensions in order to maximize the constructive impact of the report.

As in previous iterations and reports, three aggregation approaches are presented. First, a dashboard of the six dimensions of governance and public administration is presented. Second, the unweighted composite scores are presented, taking care to calculate confidence intervals (CIs) around those rankings.[51] Third, a weighted PAPI aggregation that derives the weights from a regression analysis of citizens' satisfaction in local governance is built.

The PAPI Dashboard and Control Panel

Figure 3.7a illustrates the dashboard approach to aggregation. Each dimension is ordered on a 1 to 10-point scale, with 1 representing a province receiving the lowest score on every indicator within a dimension and 10 representing a province receiving the top score on all indicators in that dimension. All provinces had the possibility of receiving a score of 10 on each dimension, which is reflected in the "Perfect" star in the bottom corner of the chart. Each branch of the star represents progress toward the perfect score of 10.

Figure 3.7a: Dashboard of Six Dimensions of PAPI 2012
(Each branch size = level of dimensional performance on the scale from 1-10 per dimension)

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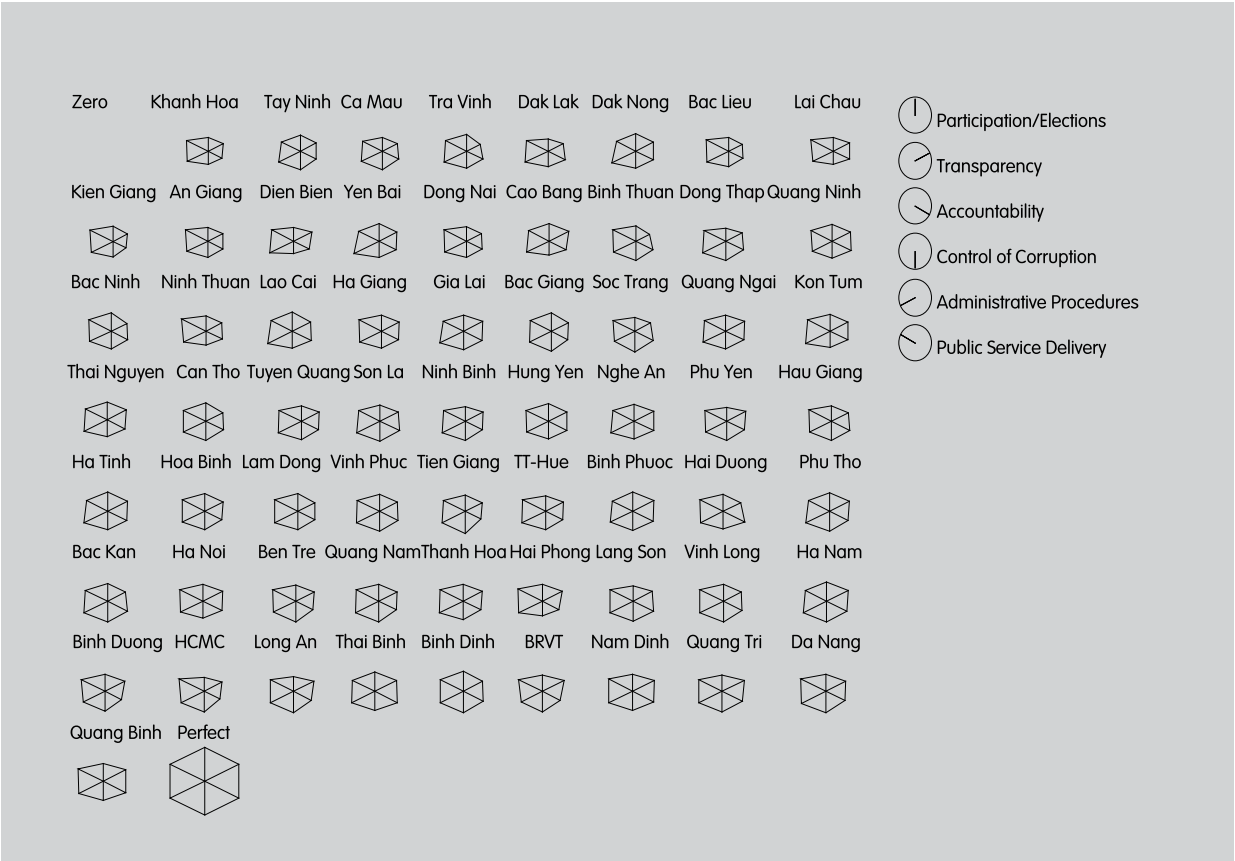
51. Graphs with confidence intervals are included in website www.papi.vn. In those graphs policy makers and readers can ascertain where there are statistically significant differences across provinces.

The benefit of the dashboard is that it helps us identify weaknesses even in high-performing provinces, which are obscured in an additive index. For instance, Quang Binh, while the most consistently high-performing province, has room for improvement on control of corruption. Da Nang, another top-performing province, demonstrates weakness in the areas of participation at the local levels and transparency. Another example is the shape for Ho Chi Minh City, which suggests room for improvement in participation at local levels as well as vertical accountability. By contrast, the lowest performing location, Khanh Hoa, scores relatively well on public service delivery. Tay Ninh is another low performer, which is consistent with 2011, presents strength in public administrative procedures, but lags behind other dimensions.

An area of strength of PAPI is its effort to present the data and information in objective and statistical terms. However, presenting just the average dimension scores, as is done in Figure 3.7a, overstates the level of precision of PAPI. What can be said with a high degree of certainty is the average scores represent the most likely score within a range of scores that are possible in repeated random sampling in Viet Nam. Figure 3.7b provides a different perspective, which displays the range of possible dimension scores possible for three different provinces: Quang Binh, which has the highest sum of the six dimensions, Khanh Hoa, the province with the minimum score, and Phu Yen, the location with the median score. Rather than presenting the average scores, the 90% confidence intervals for the three provinces around each dimension are presented.

Figure 3.7b: PAPI 2012 Dashboard of Three Provinces (Including 90% CIs)
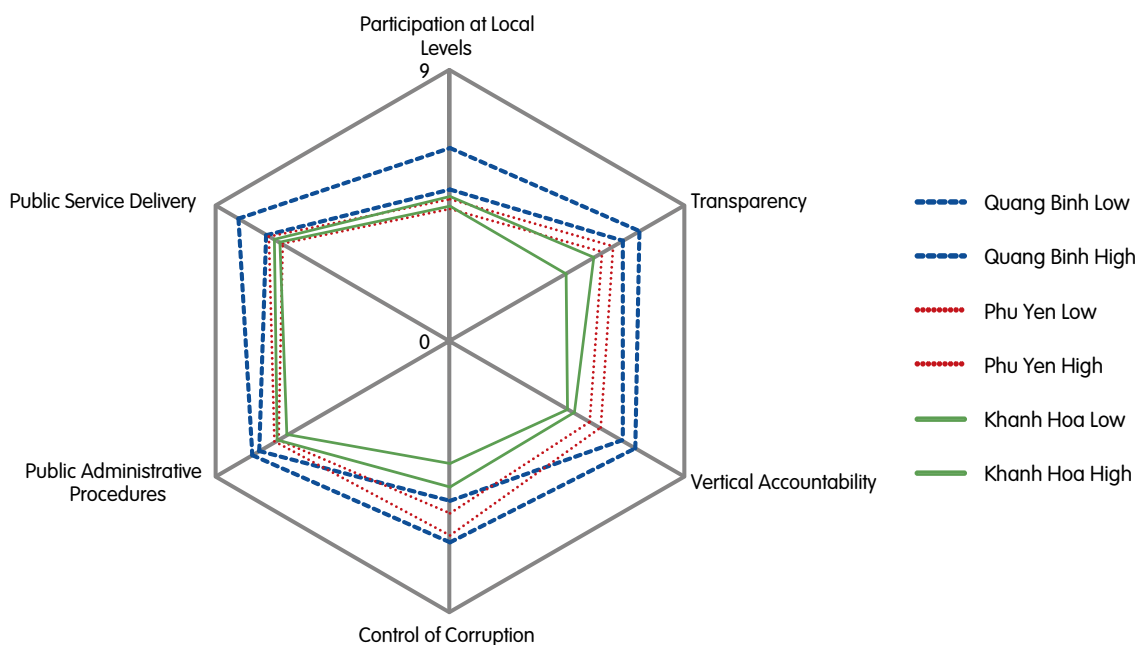
Viewing PAPI scores in this way is enlightening and particularly useful for policy makers. On two dimensions (Transparency and Vertical Accountability), scores are significantly different between the three provinces. Thus, it can be said with a great deal of confidence (9 times out of 10) that in repeated samples, the ordering of these provinces (best, middle, and worst) would be retained. On three dimensions (Participation, Public Administrative Procedures and Public Service Delivery), the confidence intervals (CIs) of Phu Yen and Khanh Hoa overlap, indicating that their scores are not statistically distinguishable and could be reversed in repeated samples. Nevertheless, Quang Binh is significantly superior to Khanh Hoa on all dimensions. Thus, while it might not be possible to differentiate the top half of provinces on these indicators, it can be said that these locations can be distinguished in their quality from the lowest performing province. Policy-makers and interested readers wishing to view CIs in addition to aggregate scores can download them from the PAPI website (www.papi.vn).

Another way to look at these performance levels is by way of a "control panel" approach as in Table 3.7. Using the same colour codes of the provincial maps presented in previous sections, it can be observed that provinces can excel in some dimensions but lag behind in others. Table 3.7 includes the six most populous provinces in Viet Nam. It can be noted that four of these provinces, Ha Noi, Ho Chi Minh City, Nghe Anh and Thanh Hoa, can be grouped in the top performing group (above the 75th percentile), in some dimensions. Ha Noi performs well in terms of transparency and vertical accountability, yet when it comes to control of corruption it falls in the same group of low poorest performers. Ho Chi Minh City performs well on control of corruption and public service delivery, but trails behind in vertical accountability and participation at local levels. Nghe An excels in transparency and vertical accountability, but performs poorly in public service delivery. From the six largest provinces, An Giang and Dong Nai fall into the poor performing group (below 25th percentile) in all dimensions except public service delivery.

Table 3.7: Control Panel of PAPI 2012 Dimension Performance in 6 Most Populous Provinces

Province	D1. Participation at Local Levels	D2. Transparency	D3. Vertical Accountability	D4. Control of Corruption	D5. Public Admin. Procedures	D6. Public Service Delivery
An Giang	4.691	5.077	5.030	5.293	6.538	6.870
Dong Nai	4.729	5.002	5.135	5.378	6.743	6.920
Ha Noi	5.507	6.263	6.057	5.399	6.868	7.020
HCMC	4.743	5.798	5.144	6.396	7.076	7.517
Nghe An	5.487	6.132	6.151	5.794	7.024	6.553
Thanh Hoa	5.390	6.093	5.629	5.973	7.248	7.026

Colour codes:

Best Performer	Above 75th percentile
High Average	Between 50th and 75th percentile
Low Average	Between 25th and 50th percentile
Poor Performer	Below 25th percentile

This "control panel" approach shows visually how policy makers can look out for lessons in implementing particular policies and share those good practices with less high performing provinces. For instance, looking at Table 3.7 it seems provinces can trade notes in several areas. Ha Noi and Nghe An for instance could share their good practices in vertical accountability with Ho Chi Minh City, An Giang and Dong Nai. On public service delivery, Nghe An could benefit from exploring and analysing what Ha Noi, Ho Chi Minh City, and Thanh Hoa are doing.

The Unweighted PAPI 2012

A second approach to aggregation is to add up the scores for each dimension. The benefit of the individual approach for PAPI is that it is easier to calculate CIs for aggregate scores, because the variance in the final score for each respondent is already obtained. This aggregation yields a theoretical PAPI score ranging from 6 to 60. In practice, no province consistently performs at the top or bottom of every indicator, so the actual range is 31.8 (Khanh Hoa) to 40.6 (Quang Binh).

Figure 3.7c and Map 3.7a show the final unweighted performance levels for the 63 provinces, using the individual level aggregation method. The colours in Figure 2.7c in each bar depict provincial scores on each one of the six dimensions.

The Weighted PAPI 2012

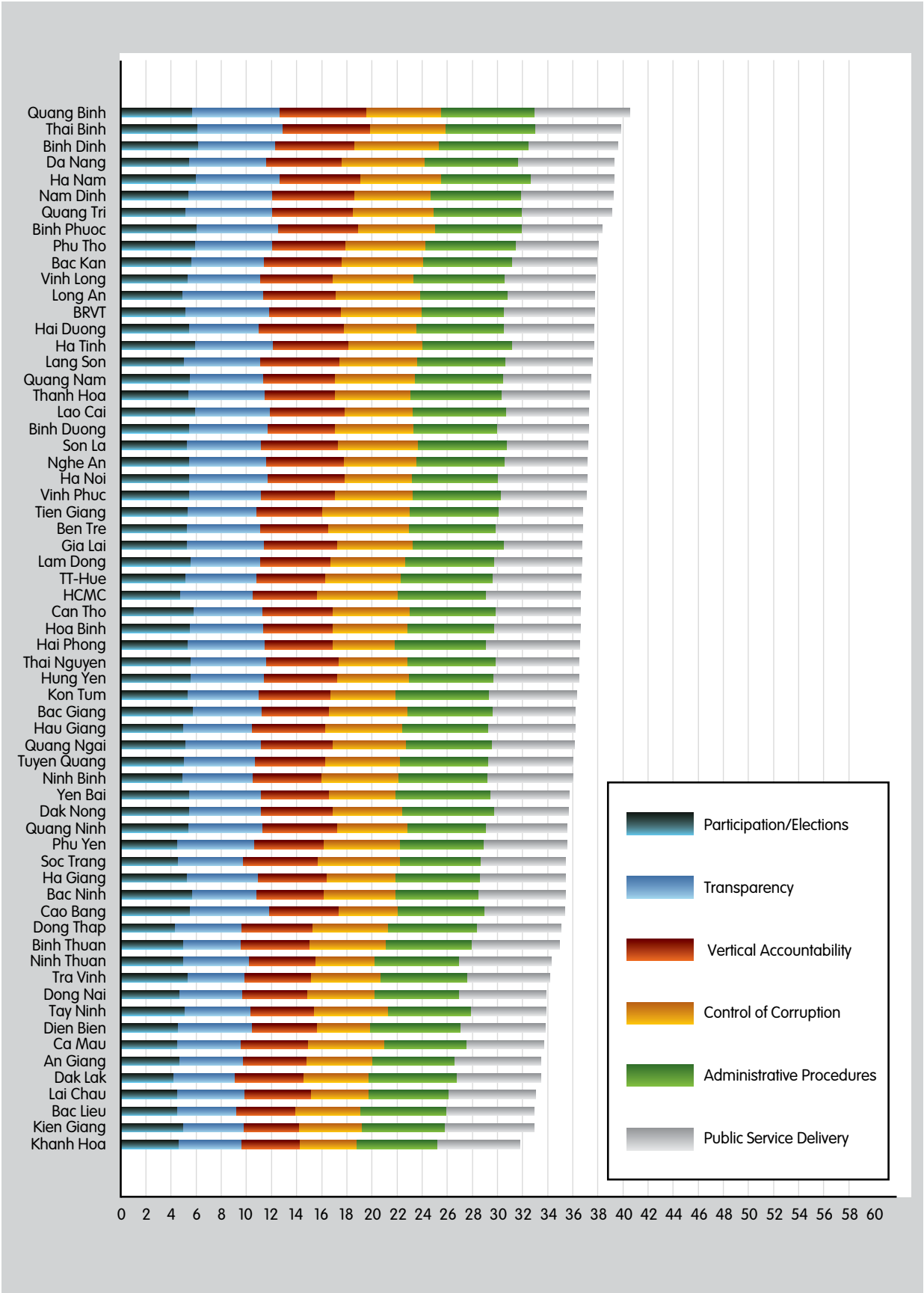A third approach to aggregation adopted by PAPI is a regression-based one. Following the approach used in previous iterations of PAPI, this approach basically calculates the relationship between key PAPI dimensions and citizen satisfaction with local governance, controlling for other factors that may also influence citizen satisfaction. The specific dependent (outcome) variable for this exercise was drawn from question D305, where citizens were invited to fill out a 100-point "feeling thermometer" of their total satisfaction with different levels of government. From this analysis, weights were assigned to each sub-index.

To ensure consistency over time, the 2012 PAPI employed the exact same weights, allowing to generate the weighted PAPI Index. This is shown in Figure 3.7d and in Map 3.7b.

An encouraging and positive development in 2012 as compared with 2011 is that provinces seem to have higher overall scoring. In 2011, only three provinces scored higher than forty points in the weighted PAPI index (Ba Ria Vung Tau, Quang Binh and Long An, respectively). In 2012, the number of provinces scoring higher than forty increased considerably to eight, including Quang Binh, Da Nang, Quang Tri, Nam Dinh, Ba Ria Vung Tau, Binh Dinh, Thai Binh and Long An, respectively.

At the other end of the scale, there is also a positive development upwards. That is, while in 2011 eleven poor performing provinces below the 25th percentile had scores below thirty-five points (Lai Chau, Binh Thuan, Quang Ngai, Ninh Binh, Hung Yen, Lam Dong, Phu Yen, Cao Bang, Tay Ninh, Tra Vinh, and Ha Giang), in 2012 only five provinces had an overall weighted score below that threshold (Dak Lak, Tra Vinh, Ca Mau, Tay Ninh, and Khanh Hoa).

Figure 3.7c: Unweighted PAPI 2012

Legend:
- Participation/Elections
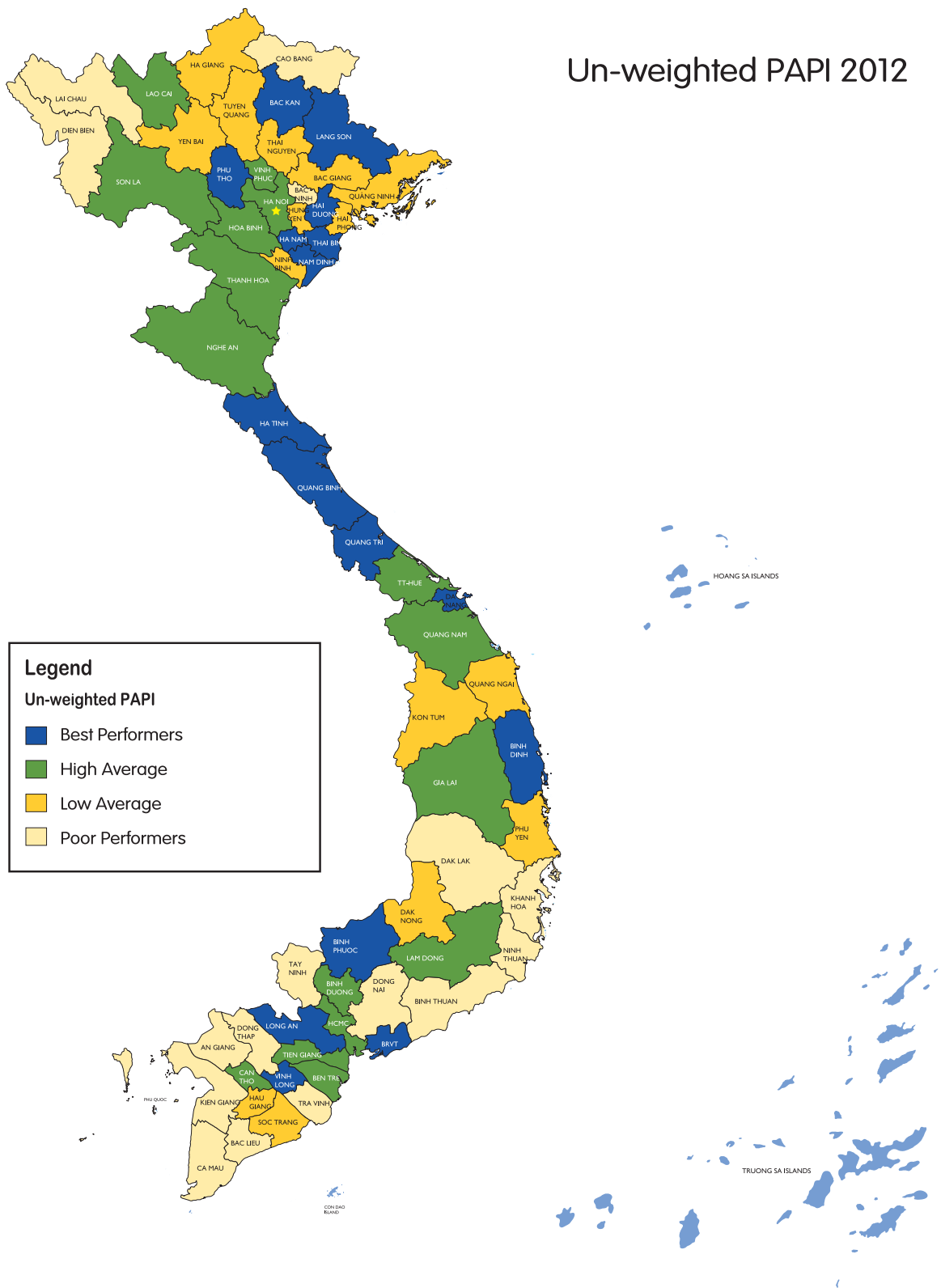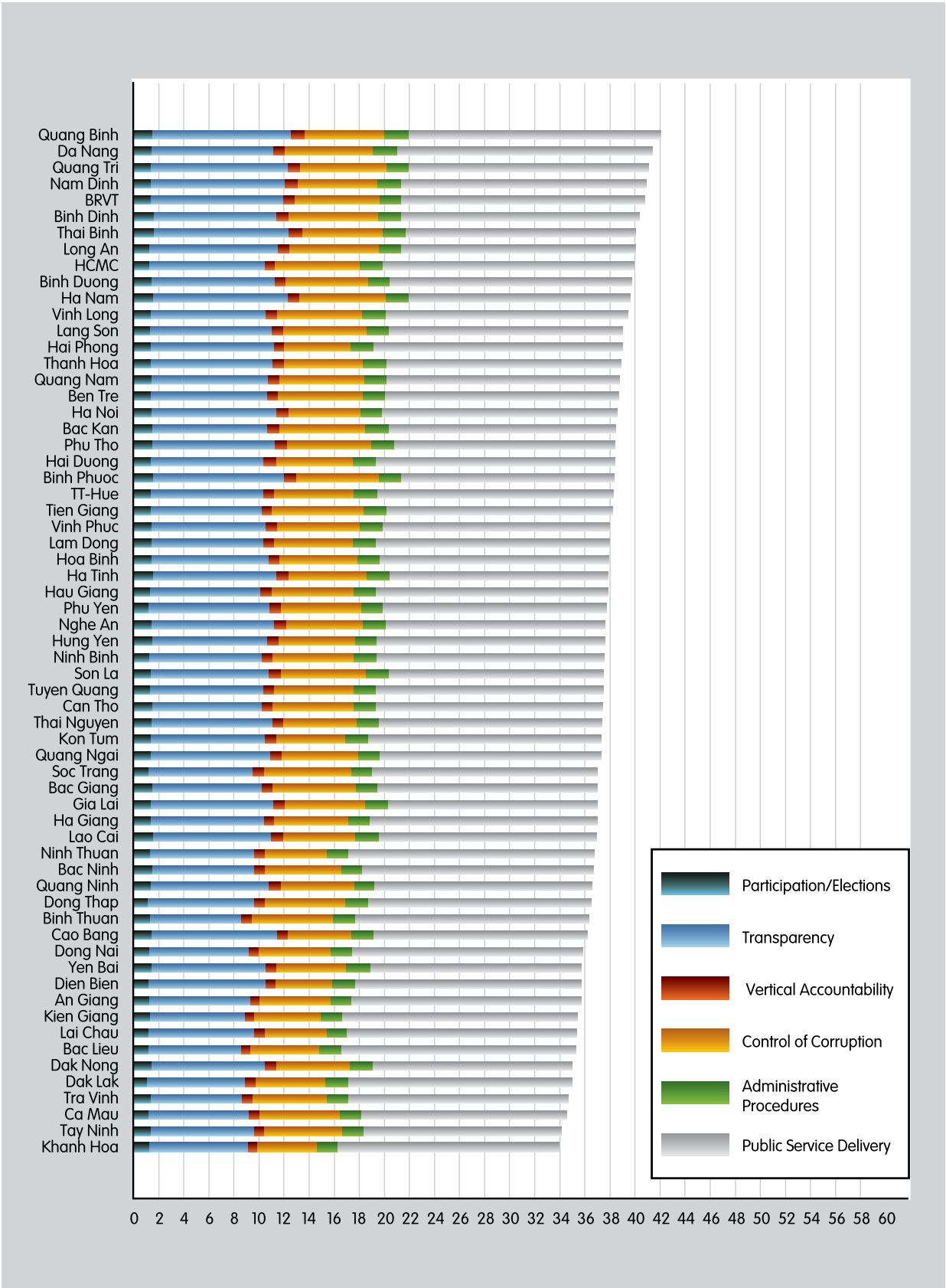- Transparency
- Vertical Accountability
- Control of Corruption
- Administrative Procedures
- Public Service Delivery

Provinces (top to bottom): Quang Binh, Thai Binh, Binh Dinh, Da Nang, Ha Nam, Nam Dinh, Quang Tri, Binh Phuoc, Phu Tho, Bac Kan, Vinh Long, Long An, BRVT, Hai Duong, Ha Tinh, Lang Son, Quang Nam, Thanh Hoa, Lao Cai, Binh Duong, Son La, Nghe An, Ha Noi, Vinh Phuc, Tien Giang, Ben Tre, Gia Lai, Lam Dong, TT-Hue, HCMC, Can Tho, Hoa Binh, Hai Phong, Thai Nguyen, Hung Yen, Kon Tum, Bac Giang, Hau Giang, Quang Ngai, Tuyen Quang, Ninh Binh, Yen Bai, Dak Nong, Quang Ninh, Phu Yen, Soc Trang, Ha Giang, Bac Ninh, Cao Bang, Dong Thap, Binh Thuan, Ninh Thuan, Tra Vinh, Dong Nai, Tay Ninh, Dien Bien, Ca Mau, An Giang, Dak Lak, Lai Chau, Bac Lieu, Kien Giang, Khanh Hoa

Map 3.7a: Unweighted PAPI 2012 by Quartiles

Un-weighted PAPI 2012

Legend

Un-weighted PAPI

- Best Performers
- High Average
- Low Average
- Poor Performers

LAI CHAU

DIEN BIEN

HA GIANG

CAO BANG

LAO CAI

TUYEN QUANG

BAC KAN

YEN BAI

THAI NGUYEN

LANG SON

SON LA

PHU THO

VINH PHUC

BAC GIANG

QUANG NINH

HA NOI

BAC NINH

HAI DUONG

HUNG YEN

HAI PHONG

HOA BINH

HA NAM

THAI BINH

NINH BINH

NAM DINH

THANH HOA

NGHE AN

HA TINH

QUANG BINH

QUANG TRI

TT-HUE

DA NANG

HOANG SA ISLANDS

QUANG NAM

QUANG NGAI

KON TUM

BINH DINH

GIA LAI

PHU YEN

DAK LAK

KHANH HOA

DAK NONG

NINH THUAN

BINH PHUOC

TAY NINH

LAM DONG

BINH DUONG

DONG NAI

BINH THUAN

DONG THAP

LONG AN

HCMC

AN GIANG

CAN THO

TIEN GIANG

BRVT

VINH LONG

BEN TRE

PHU QUOC

KIEN GIANG

HAU GIANG

TRA VINH

SOC TRANG

BAC LIEU

CA MAU

CON DAO ISLAND

TRUONG SA ISLANDS

Figure 3.7d: Weighted PAPI 2012 Index by Dimension
(Colours by Dimension, Weighted by Impact on Local Governance Satisfaction)

## Map 3.7b: Weighted PAPI 2012 by Quartiles

Weighted PAPI 2012

Legend

Weighted PAPI

- ■ Best Performers
- ■ High Average
- ■ Low Average
- ■ Poor Performers
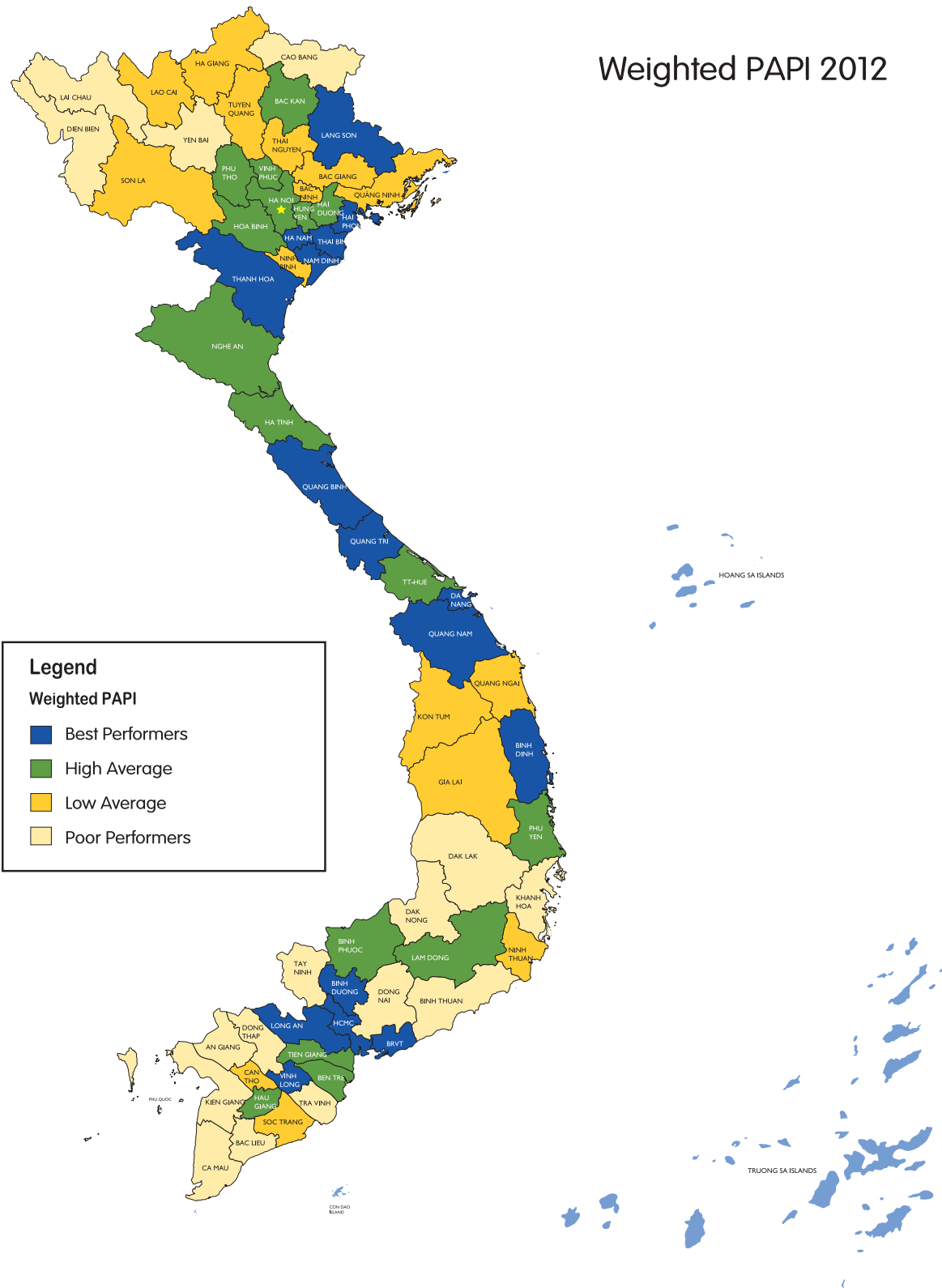
Consistent with 2011 findings, but as expected, the weighted and unweighted PAPI aggregates are highly correlated (0.90***), but some fluctuations occur in some provinces. For this reason, once again, it is critical to pay attention to CIs around the final scores and not just the aggregate measures. These are plotted in

Figure 3.7e. The four groups of provinces discussed above are preserved (see also Map 3.7b). There are still localities above the 75th percentile (or above 38.737), those below the 25th percentile (or below 36.578), and two groups of provinces between the two red lines.

Figure 3.7e: Weighted PAPI 2012 (with 95% CIs)
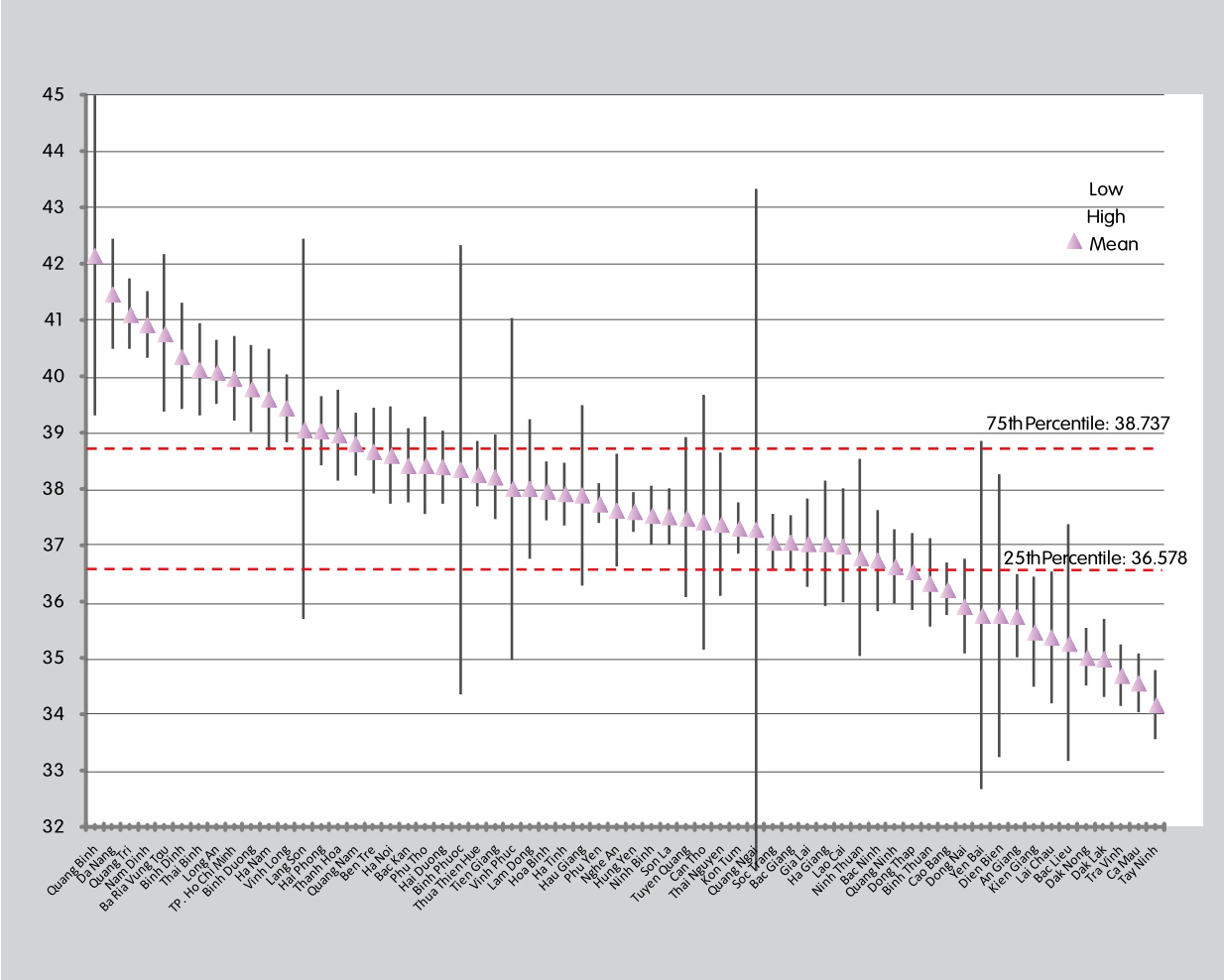
Stability over Time

Figure 3.7f provides a scatter plot of the 2011 and 2012 PAPI Indexes. The two scores have a correlation coefficient of .69, which is significant at the 99% level.

This indicates that PAPI is highly stable over time, although it is not fixed, allowing provinces to improve and alter their performance over time.

Figure 3.7f: Correlation between the 2011 and 2012 Indices
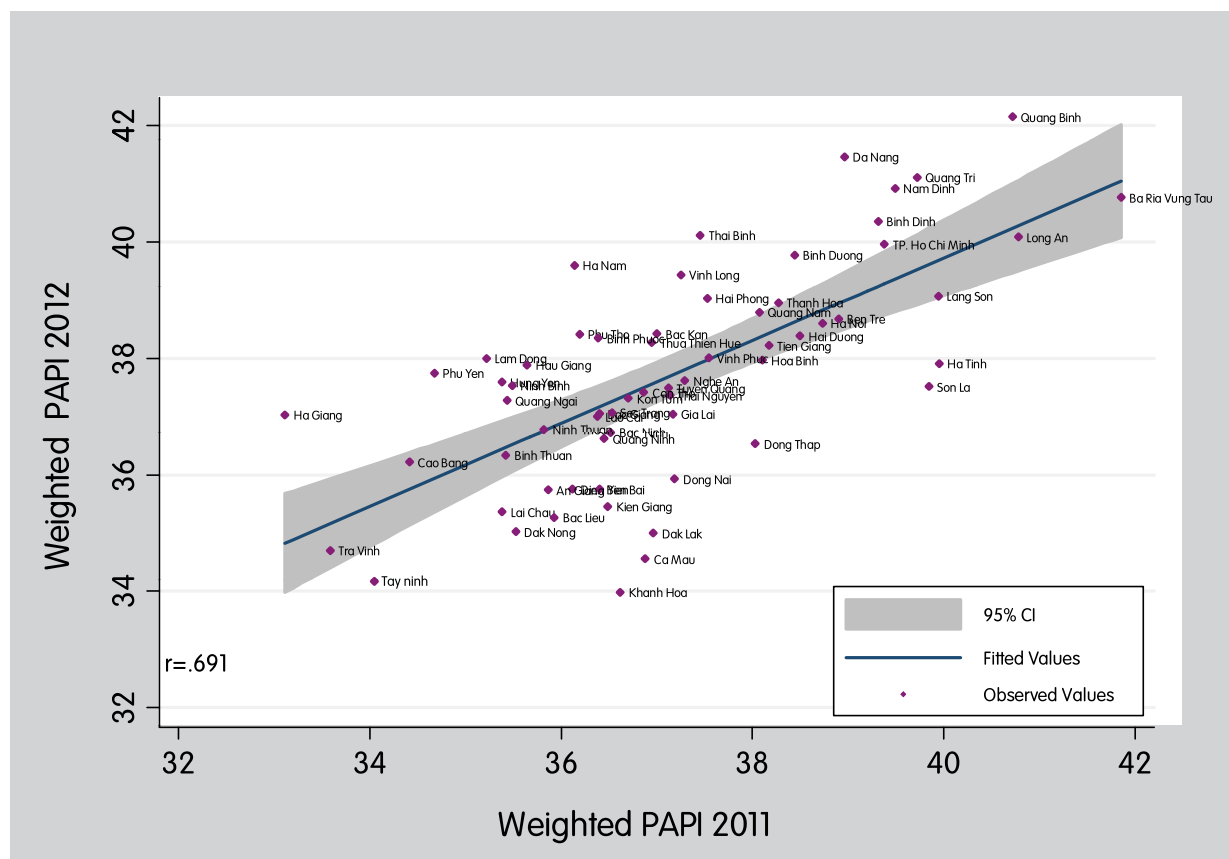
### Correlation with other Parameters of Interest

Once the weighted index was constructed, a further question worth exploring is how well the PAPI correlates with other measures of local governance performance. This helps understand whether PAPI captures elements of governance that are conceptually distinct or whether there is underlying determinant of good governance performance.

Figure 3.7g demonstrates the correlation with the 2012 Provincial Competitiveness Index (PCI) scores. Albeit the relationship is positive, it is weak and not statistically significant. As reported in the previous year

the relationship is not perfect and some one year to another it has lost its statistical significant. This means that some provinces stand out as locations where citizens give higher evaluations to local leaders than businesses do. On the other hand, in other some provinces citizens are less satisfied with governance and public administrators than businesses.

This positive but weak relationship indicates there are differences regarding how businesses and citizens view governance performance, requiring different types of policies from local officials. Some locations manage the balancing act quite well, while others have yet to find the appropriate mix.

Figure 3.7g: Correlation between PAPI 2012, PCI 2012, and GDP per Capita 2011
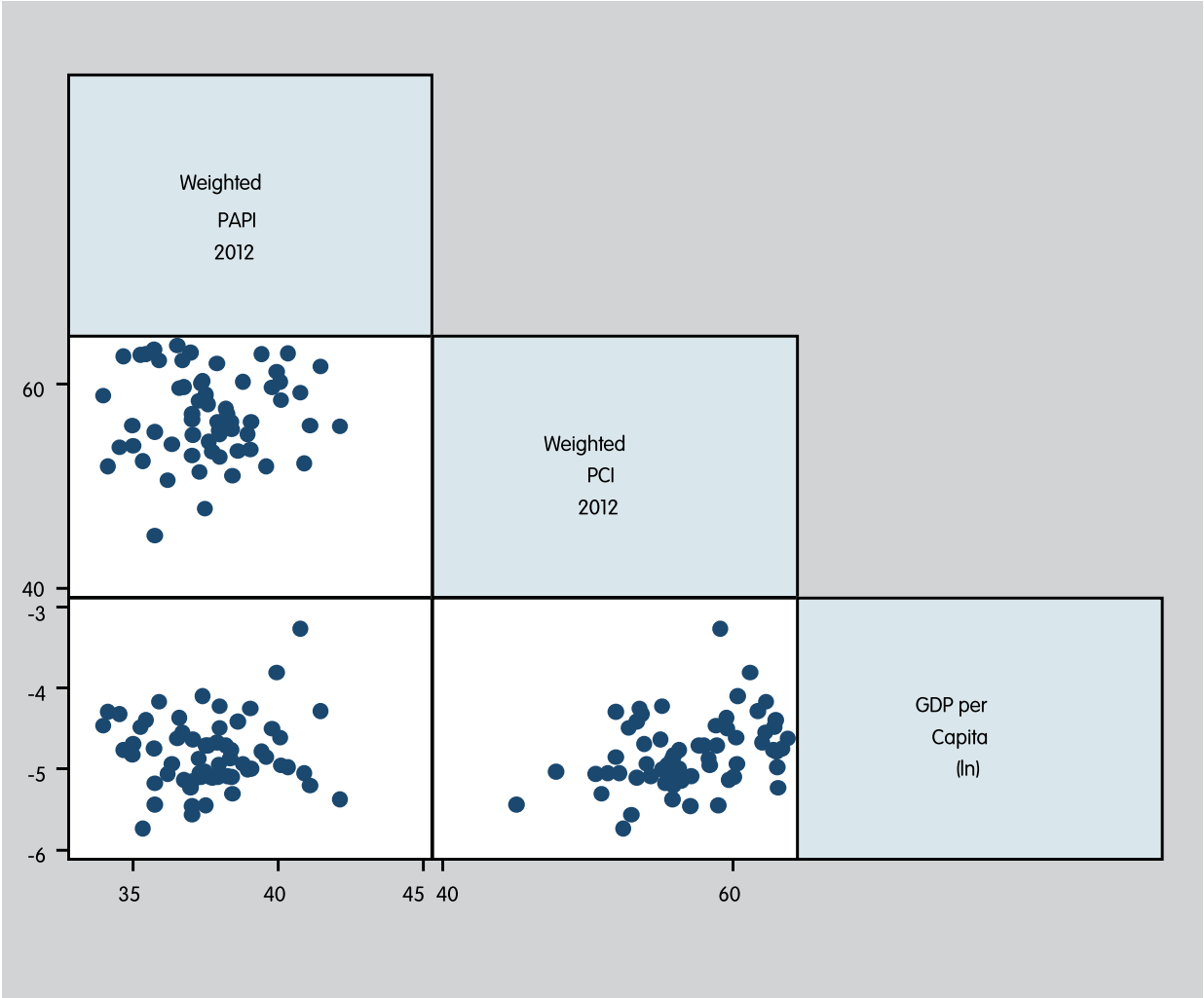
Finally, the relationship between PAPI and GDP is also studied in Figure 3.7g. This relationship is also positively correlated, but as reported in the 2011 PAPI report, it is difficult to interpret, because it cannot be said for certain which direction the causality runs. First, it could be that better governed provinces grow faster and become wealthier, from a strong hypothesis in the development literature. Second, it could be that richer provinces have more money to invest in governance and higher capacity officials to hire. Third, it may simply be that wealthy citizens feel more comfortable and rate their governments more highly (although this does not appear to be the case in the regressions above). Finally, governance and development may be both caused by some deep-seated socio-cultural or historical factor. Thus, the variables tend to move together; however, there is no direct relationship between them. Indeed, readers should be suspicious of this fourth factor, because of the high proportion of minority-rich provinces at the bottom of the performance levels.

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APPENDIXES

APPENDIX A. METHODOLOGY AND REPRESENTATIVENESS OF SAMPLE

PAPI has been designed, built, and implemented following a sound and robust methodology upon the experiment in 2009, the expanded survey in 2010, and the first nation-wide survey in 2011.[52] PAPI's methodology is a stepping stone for results to be credible and accepted by different stakeholders and interested parties. The same methodological framework applied in PAPI 2011 is undertaken in PAPI 2012 with little adjustments to ensure its reliability and stability and to enable comparison over time.

Sampling Strategy

The methodological processes and procedures adopted in PAPI aim to obtain information from a representative selection of Vietnamese citizens from the age of 18 years old. PAPI uses state-of-the-art statistical software to select respondents in compliance with international standards for multistage and random sampling methods. In doing so, PAPI captures experiences and perceptions of the population with various stratified demographic backgrounds regarding gender, ethnicity, age, education, occupation and socio-economic statuses.

In a nut-shell, a rigorous multistage and random sampling approach is reapplied again for PAPI 2012 to select purposeful and representative geographical units and to construct of a representative sample in each province. Sampling is done following five stages to select (i) districts, (ii) communes, (iii) villages, (iv) households, and (v) respondents. The first three stages have been set from 2011 allowing the research to have a panel of villages. From 2012 onwards the sampling will include two final stages, i.e. households and respondents.

Comparison between PAPI 2012, PAPI 2011 and 2009 Census Data

The reliability of PAPI survey can be checked against the variables that have been made available since the release of national population census in 2009. Table A compares the distribution of key demographic variables between the PAPI and available Census data and confirms the closeness of the PAPI sample to the actual demographic characteristics of the Vietnamese population.

Table A: Comparison of Key Demographic Variables (%)

		PAPI 2011	PAPI 2012	CENSUS 2009
Gender				
	Male	47.04	47.33	49.41
	Female	52.96	52.67	50.59
Ethnicity				
	Kinh	84.5	84.35	85.73
	Others	15.5	15.64	14.27

[52.] Interested readers are encouraged to look for the detailed methodology in Chapter 3 of the PAPI 2010 Report at VFF, CECODES & UNDP (2011), especially pp. 93-104 and in Appendix A of the PAPI 2011 Report at CECODES, FR, CPP & UNDP (2012), especially pp. 117-118.

In addition, the impact of weights on the composition of the sample by ethnicity is shown in Figure A1, while

Figure A2 presents the age distribution of the PAPI 2012 sample and the national census of 2009.

Figure A1: PAPI 2012 Kinh Ethnicity Composition vs. National Census 2009

Figure A2: Age Distribution of PAPI 2012 Sample and National Census 2009
(excluding respondents aged 70 or above in PAPI sample)

Two further tests to ensure the representativeness of the PAPI 2012 sample with the national population is by way of comparing the occupation and educational levels of respondents and their relationship with the post-stratification weights applied. This is shown in Figures A3 and A4 for occupational and educational levels respectively. Therefore, as in the PAPI 2011, readers can be reasonably confident that the survey is adequately representative of the underlying population to allow for meaningful comparisons across provinces and across groups.

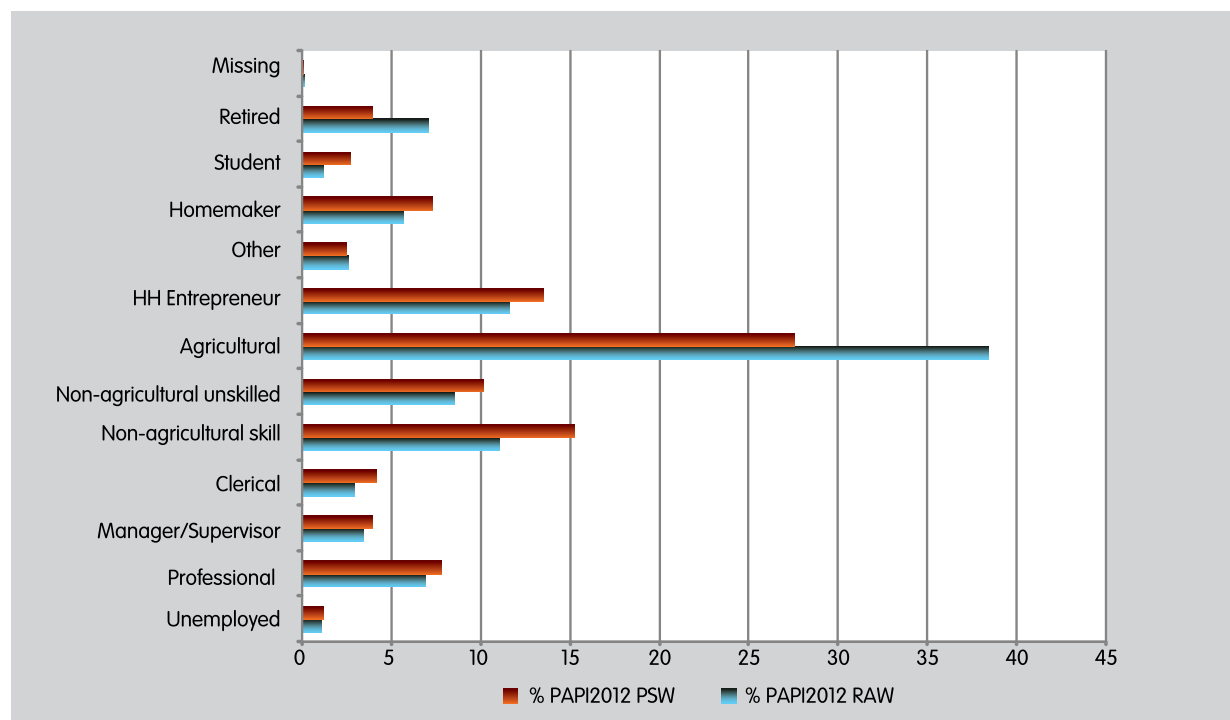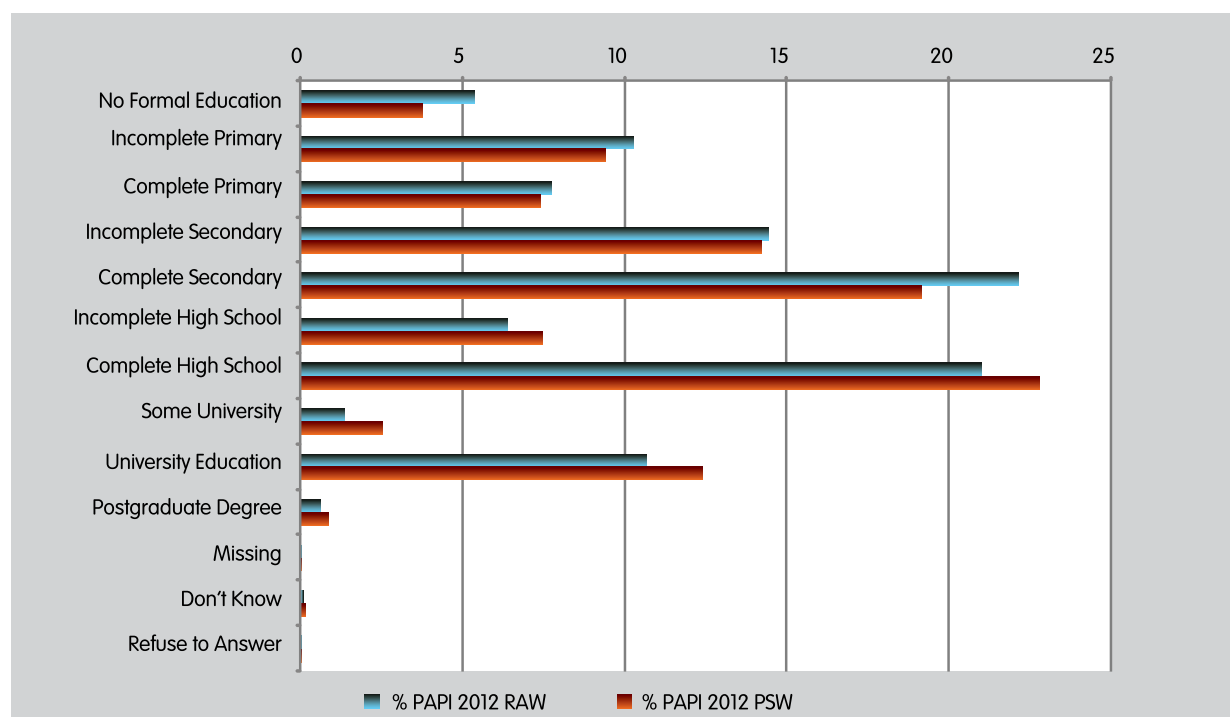## Figure A3: Occupation of PAPI 2012 Respondents

Figure A4: Educational Level of PAPI 2012 Respondents (%)

The Survey Implementation Process

Questionnaire and Interviewers' Manual:[53] Evolving from previous round the PAPI 2012 survey included a process of (i) questionnaire refinement; (ii) questionnaire pre-testing, (iii) questionnaire treatments; (iv) interviewer's manual; and (v) training of enumerators.[54] The questionnaire ensures comparability for annual PAPI surveys and is equipped with a detailed Interviewers' Manual that guides interviewers through more complex questions and treatment questions.

Survey Process and Quality Control: The survey process started with the training of enumerators cum field controllers, who led and supervised data collection teams in 63 provinces. Training was conducted in Ha Noi on 12 June 2012 with the participation of over 50 potential enumerators who were staff, collaborators and invited researchers of CECODES.[55] In addition, a series of technical trainings for different teams of key enumerators were conducted before the teams went to provinces for fieldwork to ensure that enumerators were well-trained and had the same understanding of technical requirements for the tasks assigned.

In provinces, enumerators and field controllers provided training to interviewers recruited from regional or provincial universities and colleges and used both the Interviewer's Manual and the Questionnaire to ensure same understanding and flow of questions for all interviewers. The interviewers were final year students or graduates with majors in sociology or social work or relevant fields. Over 600 out of nearly 1,000 registered students were carefully screened by the Live & Learn Organization, a local NGO working in the area of youth development in Viet Nam. This helped strengthen the objectivity and independence of the fieldwork. Each team of interviewers underwent a one-day training, with an overall introduction to the PAPI interview processes, requirements, and detailed guidance of the Questionnaire in one session, and interviewers practicing and testing interviews being checked by the enumerators in another session.

Completed questionnaire surveys were post-checked by UNDP and CECODES in Ha Noi immediately after a field visit to each province was finalised. Enumerator retraining was followed up immediately to tie up any loose ends found from filled-in questionnaires before the enumerators were sent on to another province. Each survey was reviewed one more time during data entry with notes on commonly made errors documented for immediate correction in field survey in succeeding provinces.

The three-tiered training process (overall training in early June 2012, technical training before each enumerator was sent to provinces, and retraining when needed) helped ensure that experienced and inexperienced enumerators had the same level of understanding of technical requirements and skills needed before fieldwork in a certain province was undertaken. With training and retraining during the whole data collection process, key enumerators or team leaders improved their quality of work, and in return could mitigate missing data.

Fieldwork Implementation: Actual fieldwork for PAPI was conducted from 7 July 2012 to 23 December, 2012 for the first 62 provinces, and from 28-30 March 2013 in Ben Tre province. Sixty-three teams of enumerators/field controllers were sent from Ha Noi to the field (with two teams in each province led by two enumerators/field controllers), and worked with the recruited interviewers on location four days (in 57 regular provinces) and seven days (in larger provinces). In Ha Noi, the fieldwork took longer as a result of deviations in collecting respondent lists (which lasted from 7-28 October 2012) and in coordinating fieldwork directly with communes (lasting for over half a month in November 2012). In Nghe An and Ho Chi Minh City,

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53. Full questionnaire is available at www.papi.vn.

54. See VFF, CECODES & UNDP (2011), chapter 3 on Methodology, especially pages 99-101.

55. The Viet Nam Network of Local NGOs Working in Governance and Public Administration Reforms Areas (GPAR) and the Viet Nam Academy of Social Sciences (VASS) shared qualified researchers with CECODES in 2012, helping improve the quality of enumerators.

the number of team leaders doubled to four persons and the number of field interviewers increased to more than 10 persons to accelerate fieldwork in these medium and large provinces. In Ben Tre, fieldwork was finally conducted in March 2013 after prolonged procedural arrangements for actual fieldwork. Getting the fieldwork done required huge efforts and tough negotiations as well as patience by the PAPI team and Ben Tre VFF collaborators.

To address this challenge and maintain the same levels of high international standards in survey fieldwork a system of three interlinked groups was adopted. In the first group, and during the stages of respondents sample selection and preparation, local coordinators from VFF, and in some provinces, People's Councils, People's Procuracies and provincial National Assembly delegations helped facilitate accessibility and fieldwork implementation in all provinces. The second group included nearly 50 collaborators from CECODES as team leaders and field supervisors with the total number of 130 person-visits to 63 provinces. A large number of these key enumerators took part in previous rounds of PAPI

surveys and underwent training and retraining in each survey round. They possess high responsibility and good skills and are capable trainers to provide training for interviewers recruited from regional and provincial universities, colleges or educational institutions. The third key group involved in PAPI data collection processes was comprised of around 630 interviewers who were final year students or just graduates majoring in sociology, social work, public administration or other social sciences.[56]

The response rates in 2012 also increased significantly as compared with the PAPI 2011 survey. Overall, 13,747 respondents were directly interviewed for PAPI 2012, accounting for approximately 80% of the sampled population of 17,040, and for 99.5% of the target of 13,632 respondents interviewed. The number of regular provinces with fewer than 192 interviewed respondents in PAPI 2012 reduced by 21% compared with that in PAPI 2011, while that of provinces with 192 and higher respondents increased by over 20%. The higher the respondent PAPI reaches, the more credibility PAPI gains. It also shows numerous efforts made during the survey implementation process.

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[56]. See PAPI 2011 Report for an illustration of the interlinked network for fieldwork implementation (CECODES, FR, CPP and UNDP, 2012, p. 124).

APPENDIX B. MAIN DESCRIPTIVE STATISTICS BY PROVINCES

Table B: Gender Distribution of Respondents by Province

Province	Male No.	Male %	Female No.	Female %	Total No.	Province	Male No.	Male %	Female No.	Female %	Total No.
An Giang	171	45.24	207	54.76	378	Kon Tum	88	44.9	108	55.1	196
Ba Ria Vung Tau	79	40.93	114	59.07	193	Lai Chau	94	48.21	101	51.79	195
Bac Giang	87	45.79	103	54.21	190	Lam Dong	89	46.11	104	53.89	193
Bac Kan	93	47.69	102	52.31	195	Lang Son	90	48.65	95	51.35	185
Bac Lieu	96	49.23	99	50.77	195	Lao Cai	96	50.79	93	49.21	189
Bac Ninh	85	44.04	108	55.96	193	Long An	87	44.39	109	55.61	196
Ben Tre	93	47.69	102	52.31	195	Nam Dinh	88	42.72	118	57.28	206
Binh Dinh	112	54.63	93	45.37	205	Nghe An	181	46.17	211	53.83	392
Binh Duong	103	52.02	95	47.98	198	Ninh Binh	99	49.75	100	50.25	199
Binh Phuoc	107	55.44	86	44.56	193	Ninh Thuan	85	43.81	109	56.19	194
Binh Thuan	89	44.72	110	55.28	199	Phu Tho	86	44.56	107	55.44	193
Ca Mau	91	47.4	101	52.6	192	Phu Yen	86	44.56	107	55.44	193
Can Tho	98	50.78	95	49.22	193	Quang Binh	90	46.88	102	53.13	192
Cao Bang	85	45.95	100	54.05	185	Quang Nam	84	44.44	105	55.56	189
Da Nang	98	51.04	94	48.96	192	Quang Ngai	99	50.51	97	49.49	196
Dak Lak	84	42	116	58	200	Quang Ninh	100	52.36	91	47.64	191
Dak Nong	96	48.48	102	51.52	198	Quang Tri	90	45.92	106	54.08	196
Dien Bien	93	47.69	102	52.31	195	Soc Trang	95	47.98	103	52.02	198
Dong Nai	179	45.9	211	54.1	390	Son La	93	46.73	106	53.27	199
Dong Thap	100	49.5	102	50.5	202	HCMC	258	48.13	278	51.87	536
Gia Lai	101	52.6	91	47.4	192	Tay Ninh	87	46.77	99	53.23	186
Ha Giang	101	52.6	91	47.4	192	Thai Binh	105	53.57	91	46.43	196
Ha Nam	95	49.22	98	50.78	193	Thai Nguyen	92	47.18	103	52.82	195
Ha Noi	252	43.9	322	56.1	574	Thanh Hoa	197	49.87	198	50.13	395
Ha Tinh	76	38.58	121	61.42	197	Thua Thien Hue	96	48.48	102	51.52	198
Hai Duong	101	50.25	100	49.75	201	Tien Giang	88	44	112	56	200
Hai Phong	98	53.26	86	46.74	184	Tra Vinh	85	43.81	109	56.19	194
Hau Giang	87	45.08	106	54.92	193	Tuyen Quang	93	48.95	97	51.05	190
Hoa Binh	87	44.62	108	55.38	195	Vinh Long	91	47.64	100	52.36	191
Hung Yen	92	47.18	103	52.82	195	Vinh Phuc	92	47.18	103	52.82	195
Khanh Hoa	83	43.23	109	56.77	192	Yen Bai	99	52.11	91	47.89	190
Kien Giang	91	46.19	106	53.81	197	Total	6,506	47.33	7,238	52.65	13,744*

*Total number of interviews is 13,747. Three questionnaires unintentionally missed gender information.

Implementing Partners

Centre for Community Support & Development Studies (CECODES)

Established by the Vietnam Union of Science and Technology Associations (VUSTA) from 2007, CECODES is a non-profit, non-governmental organisation specialised in development research and community support. The overall function of CECODES is to carry out evidence-based research to assess policy impact and to implement solutions to strengthening capacity of communities. CECODES works towards contributing to the improvement of governance performance, focusing on facilitating the interactions between the State, the Market, and the Civil Society.

Centre for Research and
Training of the Viet Nam
Fatherland Front

Centre for Research and Training of the Viet Nam Fatherland Front (VFF-CRT)

Established on 28 December 2012 under Decision No. 1725/QĐ-MTTW-BTT by the Central Committee of the Viet Nam Fatherland Front (VFF), the Centre for Research and Training of the Viet Nam Fatherland Front is an autonomous agency operating by state laws and regulations. VFF-CRT has the four mandates, including: (i) to provide training and retraining of VFF personnel from all levels; (ii) to conduct research on theory and practice of great solidarity, institutional settings and operation of the VFF and other relevant areas and thematic issues; (iii) to set up and operationalise VFF Museum; (iv) to coordinate and partner with other research and training institutions home and abroad in research and personnel training.

United Nations Development Programme (UNDP)

UNDP is the United Nations' global development organization, a network advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP is on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As countries develop local capacity, they draw on the people of UNDP and its wide range of partners.

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monitoring

monitoring

policy implementation

people do

people know

people verify

policy implementation

people do

monitoring

people discuss

people

know

monitoring

people discuss

policy implementation

people verify

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