INVESTING 5

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### DEIRDRE NÍ FHALLÚIN Ambassador of Ireland to Vietnam

It is clear from the survey findings that poverty and hunger remain key issues of concern for citizens, while people are still anxious about the national economic situation and about their own household economic situation.

Now more than ever, it is important that all members of society – especially ethnic minorities and rural communities – benefit from Vietnam's rapid socioeconomic development, to ensure no-one is left behind.

It is also imperative that these communities are included and can see themselves reflected in their representatives. Ireland welcomes PA-PI's focus on women, people with disabilities, and the LGBTI+ community, and is delighted to commit funding for interventions that aim to increase the participation of these groups. Last year, for example, we were delighted to support a workshop focusing on legal frameworks for the rights of transgender people.

All communities should be empowered to participate in decision-making, and this requires transparency. Transparency is key to effective governance, allowing citizens to engage with important public policy issues.

PAPI initiatives have sought to improve access to public administrative services, particularly for people in remote and ethnic minority areas, areas in which Ireland has long been working. Such initiatives have also worked to improve access to land information. There has been real progress here, and there is clearly more work to be done.

### RAMLA KHALIDI Resident representative in Vietnam, United Nations Development Programme

Launched in 2009, PAPI has evolved into a trusted, citizen-centric tool to support effective, inclusive, and accountable local governance in Vietnam. In so doing, it has sought to contribute to inclusive development in Vietnam.

It has provided a wealth of data on citizen needs and priorities to inform the design and implementation of national policies and laws aimed at better serving the people. And it has been used by the central government to track Vietnam's progress towards the United Nations' Sustainable Development Goals.

The results from last year paint quite a mixed picture. While citizens saw progress in some forms of corruption in local administration – and we should celebrate this – other types of corrupt practices are seen to persist.

The issues of greatest concern to respondents in 2023 include poverty, hunger, jobs, and also economic growth. These same population groups are the most anxious about environmental governance and the impact of climate change on their livelihoods.

These concerns suggest that, while the country continues to achieve impressive economic growth, many Vietnamese are worried about their socioeconomic wellbeing.

Understanding which population groups, regions, and communities are not fully benefiting from Vietnam's fast-paced development is critical. Vietnam has made notable strides in enhancing its PAPI, which reflects positively on its business environment. The improvements, particularly in e-governance, environmental governance, and public service delivery, have contributed to a more transparent and efficient administrative framework. These advancements are crucial for both local and foreign investors, as they signal a commitment to accountability and ease of doing business.

**RIZWAN KHAN** 

Managing partner

Acclime Vietnam

The government's efforts to digitise administrative procedures and increase transparency align with investors' needs for a predictable and stable investment climate. The country's strategic location, competitive labour costs, and stable GDP growth further bolster its attractiveness.

To further entice foreign investment, Vietnam could focus on enhancing its legal framework to ensure consistency and clarity in regulations. Strengthening intellectual property rights, streamlining investment procedures, and offering targeted incentives in high-tech and sustainable sectors could also be beneficial. Additionally, fostering a skilled workforce through education and training initiatives would address investors' needs for a capable and innovative labour force.

Continued emphasis on PAPI's key dimensions, such as public administrative procedures, will be vital. By maintaining the momentum of reforms and addressing investors' concerns, Vietnam can solidify its position as an appealing destination for investing.

## EDMUND J.MALESKY

Professor of Political Science Duke University

I have a somewhat optimistic view of e-governance progress based compared with previous years. The number of citizens with internet access and owning smartphones is rising. The number of national and provincial e-service portal users between 2022-2023 are significantly increasing. Applicants for public administrative services online report slightly higher levels of satisfaction with services.

I have concerns about limited progress made in engagement of citizens in policymaking and responsiveness to feedback. Half of online service users could not pay for the service via portals or at a one-stop shop. Users' concerns about personal privacy are prevalent. There are digital divides in access to the internet, smartphones, and especially personal computers between different population groups and geographic locations.

My policy recommendations are that public e-service providers should design and adopt a single-device approach to the online public service portal, so that users can access them from anywhere with their smartphones. Central and local governments need to work towards narrowing the gaps in access to e-government and e-services within gender, age, ethnicity, living area, and residential status.

Traditional one-stop shops could also receive further investment to provide offline and online services for those who do not have smartphones or access to electricity and the internet yet. Founder and senior board adviser Grant Thornton Vietnam

**KEN ATKINSON** 

In terms of key findings, the report highlights a significant decline in transparency in local decision-making in 2023. However, it also notes an improvement in the control of corruption in the public sector. It identifies the top 10 issues of greatest concern for citizens in 2023 and examines trends over time. The report also explores the drivers of internal migration and the effects of climate change-related disasters on migration motivations.

The report concludes with policy implications based on the findings and identifies gaps that need to be addressed towards 2026. It provides a comprehensive analysis of provincial performance and offers recommendations for improving governance and public administration in Vietnam.

Ten of the most concerning issues were identified based on the PAPI research and the perspectives of the surveyed population. For example, the impact of climate changed-related disasters on migration dynamics can be significant. Internal migration in Vietnam is driven by various factors, including economic opportunities, infrastructure, and education. However, climate change-related disasters can have impacts on this by causing economic decline, loss of livelihoods, and degradation of the living environment.

The report also highlights some concerns in the areas of transparency and corruption, which the government is aware of, but perhaps addressing these further could be expedited.

# Northern provinces notch up e-governance progress

### By Quynh Nga

The northern localities of Haiphong, Hai Duong, and Hung Yen have made improvements in e-governance, according to 2023 survey results announced last week in Hanoi.

Despite a dip in both general score and ranking in 2023, the 15th Provincial Governance and Public Administration Performance Index (PAPI) regarding public services provision of Haiphong reached 7.99 points, being positioned among localities with high scores throughout the country. On participation of people at grassroots level, Haiphong posted 4.98 points, a high average score. For transparency in decision-making and accountability of people, the port city secured 5.11 and 4.15 points respectively, joining localities with low average scores. Low scores included 6.33 points for control of corruption in the public sector and 6.94 points for public administrative procedures.



E-governance, and using related portals, became a bigger focus of the latest index

Hai Duong scored 3.22 points, slightly up by 2.26 per cent from two years previous, and Hung Yen scored 3.43 points, down 6.12 per cent compared to 2021.

In general terms, Hung Yen is placed in the group of cities and provinces with the highest scores in the PAPI at 44.23 points in 2023, up 0.04 points compared to 2022.

Hai Duong has low average acores at 41.75 points, down 0.38

For Hung Yen, the province gained high scores in participation of people at grassroots level

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(5.46 points), transparency in decision-making (5.5 points), accountability of people (4.40 points), and control of corruption in the public sector (70.6 points).

In provision of public services, Hung Yen garnered 7.61 points, deemed a high average score.

Compared to Haiphong and Hung Yen, Hai Duong showed no improvement in the PAPI ranking compared to the previous year, still garnering only low average scores.

Particularly, the province posted 4.94 points for participation of people at grassroots level, 5.04 points for accountability of people, seven points on control of corruption in the public

sector, and 7.48 points for public services provision.

Last year, new criteria were added on using the e-portal and the e-public services of local government to assess the efficiency of full-package public services provision at provincial public services portal.

The focus on e-governance followed the government's push to expand digital citizenship. Last year, nationwide access to the internet and access to provincial e-governance portals both rose relative to 2020.

However, findings revealed that Vietnamese citizens are slow to switch to e-governance, with just 8.3 and 7.6 per cent of the respondents using the National E-Service Portal or provincial e-service portals available in all cities and provinces. A reason for the limited use is privacy concerns, as stated by onethird of survey respondents.

Meanwhile, like results of some previous years, PAPI 2023 results indicate that environmental concerns are still a fact of life in the Red River Delta, which accommodates many industrial production facilities.

Of 16 localities with low scores, six are located in the delta, in which Haiphong posted 3.24 points in environmental management, down 12.03 per cent compared to 2021. points compared to 2022, while Haiphong posted 42.11 points compared to 43.60 points in 2022, being positioned alongside cities and provinces with high average scores.

A record 19,536 respondents from across the country participated in the 2023 PAPI survey. Based on their responses, control of corruption in the public sector and e-governance were the key dimensions to register progress relative to 2021 and 2022. Transparency in local decision-making, conversely, saw a drop.

The remaining dimensions covering local governance, public administration, and service delivery saw little change relative to the preceding two years.