

Chapter 4

Lessons Learned and Recommendations

4-1 Summary of the Achievements of the Program

First of all, it seems appropriate to reconfirm the achievements of the Red River Delta Transport Development Program following the review of this study. Chapter 3-2 indicated significant achievements of the Japanese ODA projects under the Program in the road, railway and sea port and transport sub-sectors which were implemented over the years 1994-2004 in Red River Delta area.

In the road sub-sector, there was an increase of traffic volume, a shortening of travel time and an improvement in the pavement ratio, road density and road accessibility. The improved connections between major sea ports, industrial estates and the metropolitan centers, such as in the case of National Highway No.5 between Hanoi and Hai Phong, presents a good example of infrastructure development contributing to both economic growth and poverty reduction through the increase of job and business opportunities at the same time providing easier access to social services than before. In cooperation with the World Bank and the Asian Development Bank, the establishment of a comprehensive road network which connected major national highways, provincial roads and rural roads was also another good example with the same causes and for the same reasons.

In the sea ports and transport sub-sector, the volume of cargo handling dramatically increased in Hai Phong and Quang Ninh ports. The container cargo ratio also increased substantially. The rehabilitation and development of these sea port facilities succeeded in improving the reception of a growing number of import and export goods together with their efficient distribution to appropriate domestic and overseas destinations.

There is not much intervention of Japanese ODA in the railway sub-sector, but France and Germany were two major donors. There have been some notable achievements. The number of train trips, especially of cargo train trips, increased. The travel time by train between major cities also reduced considerably. The overall Vietnam railway system was more institutionally rationalized. There is a sign that further steady improvement in this national railway system will be seen in the near future.

Responses from both Japanese and Vietnamese professionals/engineers in the Yen loan projects and JICA technical cooperation projects indicated that extensive on-the-job training (OJT) resulted in mutual benefits in the sense of a speedy completion of the project and the pursuit of high quality of goods and technical services.

One of the general achievements was that the program significantly developed the

infrastructure of the three sub-sectors and also led to the establishment of a network in each sub-sector. As a result, the connection among different modes of transport was strengthened. This increased connection among different modes of transport further activated socio-economic activities and accelerated economic expansion in the area and in the country.

Another general achievement was the concentration and timing of intervention by Japan and major donors in a specific sub-sector. Again, the road sub-sector is a typical case. Coordination and cooperation among Japan, the World Bank and the Asian Development Bank has produced speedy and large scale rehabilitation and the improvement of major national highways. Thus they were readily available at the time of the beginning of high economic growth of the area and the country. The road sub-sector development did not become a major bottleneck or a constraint to economic activities as has been observed in many other developing countries in Asia. Instead, the results of the impact study show that road projects in the program later realized on such a large scale and in a relatively short period of time have likely supported and/or led economic growth in the area and the country.

Nevertheless, Vietnamese endeavors have been also very significant in meeting and overcoming many different kinds of challenges. The Government of Vietnam, namely the Ministry of Planning and Investment steadily rationalized and improved the whole decision making process for planning, implementation and now the evaluation of ODA projects/programs which include many large scale infrastructure projects of Japan and other major donors. There is no doubt that this administrative reform has had a great influence on the greater enhancement of already very efficient and effective ODA project/program management.

4-2 Achievements of the Joint Evaluation Study

There are two major objectives for the Joint Evaluation Study. The first objective is to plan and execute the joint program evaluation study on the Japanese ODA program on the transport sector development in the Red River Delta area. This joint evaluation study has successfully carried out and the evaluation study report was finally published as the outcome. The second objective is to transfer the evaluation technology and know-how to the Vietnamese counterparts on the ODA program evaluation through participatory approaches. This technology transfer has been implemented in the actual process of joint evaluation activities, such as participatory workshop, joint research joint field survey and joint reporting. Also periodic core team member meetings were held for information sharing, monitoring of survey progress, management of constraints and participation to analysis.

The following table is the summary of the contents of the technology transfer but it is important to mention that this technology transfer is the result of the joint endeavors of both the Japanese study team and the Vietnamese study team.

Table 4-1: The Content of Joint Evaluation

Theme/Subject of Technology Transfer	Japanese Study Team (MOFA & Consultants)	Vietnamese Study Team (MPI & the Core Team)
Basic Evaluation Theory & Methods	<ul style="list-style-type: none"> ● Use of "ODA Evaluation Guidelines" by MOFA as the textbook 	<ul style="list-style-type: none"> ● Review of the textbook on the theory & methodology
Terms of Reference (TOR) for the Joint Study	<ul style="list-style-type: none"> ● preparation of draft ● finalization of TOR 	<ul style="list-style-type: none"> ● revision
Evaluation Framework of the Study	<ul style="list-style-type: none"> ● preparation of draft ● finalization of framework 	<ul style="list-style-type: none"> ● revision
Confirmation on the purpose, methodology, design, study schedule & contents of the report	<ul style="list-style-type: none"> ● Joint execution of the participatory workshop and exercise 	
Field Survey Plan	<ul style="list-style-type: none"> ● preparation of draft on the schedule, questionnaire, interview, site survey, literature analysis ● finalization of the plan 	<ul style="list-style-type: none"> ● revision of the draft with modification & recommendation
Execution of Field Survey	<ul style="list-style-type: none"> ● development of practical data collection methodology ● joint execution ● preliminary evaluation of collected data & information 	<ul style="list-style-type: none"> ● appointments ● joint execution ● collection of important data & information
Preparation of the Final Evaluation Report	<ul style="list-style-type: none"> ● preparation of draft ● finalization of the draft 	<ul style="list-style-type: none"> ● revision of the draft with modification & recommendation

Technology transfer on ODA evaluation through joint planning, implementation & evaluation activities

After completion of major joint evaluation activities on the Red River Delta Transport Development Program, the MPI and the evaluation team worked towards the second objective of this joint evaluation. This is the evaluation of technology transfer between the Vietnamese counterparts, mainly the core team members, and the Japanese evaluation team. A questionnaire was prepared and important questions were asked on the following matters.

- (1) Learning from the evaluation process
- (2) The technical transfer performance of Japanese team
- (3) Expectations achieved
- (4) Recommendations for the next evaluation

As the general conclusion of this questionnaire and the verbal responses from the Vietnamese core team members, joint evaluation activities were recognized as mutually beneficial and meaningful for the Vietnamese core team members and the Japanese evaluation team. Most of the Vietnamese counterparts involved in this evaluation activity reported that they learnt more about theoretical meaning, systematic evaluation methodology in practice and the management of the actual evaluation process. For the Japanese side, this high quality work could not have been carried out so thoroughly and efficiently without the sense of ownership and the active participation of the capable Vietnamese core team members, who are also quick to absorb the theory and methods and then apply what they have learned in practice.

Whilst the following views were expressed by the Vietnamese counterparts that (i) they needed additional time for the implementing schedule of the study especially for the planning and preparation stage; and (ii) they felt difficulties to conduct the evaluation activities in parallel with doing their own official duties at their ministries during the implementation period of the study.

4-3 Lessons Learned

First, the basic concept that infrastructure development in the transport sector contributes to both economic growth and poverty reduction is confirmed after a careful review of the impact study and other pertinent data and information in this evaluation survey.

Second, infrastructure development is seen to be very efficient in the sense of overall time and cost saving and more effective in long term socio-economic development if a specific sub-sector is selected as the priority sub-sector and all available resources are concentrated in order to attain a certain level of satisfaction of the development needs and demands.

In this case, all available resources means the both domestic and foreign (ODA) funds, both qualified domestic and foreign (ODA) professionals and engineers, the use of advanced technology and equipment, and also easier access to necessary information and data, etc. Again, attainment of these better qualified resources and their intensive use is indispensable for the fast and overall completion of sub-sector infrastructure development.

Third, as far as human resource development is concerned, the contents of the extensive OJT were not limited to practical technology transfer of specific advanced technology and to the use of sophisticated machinery, but also included management skills and know-how for the long-term and comprehensive planning and implementation of the assigned project. In addition, the Vietnamese counterparts were impressed with the working ethic of the Japanese engineers/professionals, their diligent working attitude, pursuit for quality in their work and the emphasis on team work. More significant than ever, some of the leading Vietnamese personnel recognized the general and long term positive impact of human resource development

programs for their organizations and responded that they had started or strengthened their own OJT programs.

Fourth, after reviewing the Program, many examples of good coordination and cooperation were identified among the different Japanese ODA schemes. This kind of coordination and cooperation has been very effective for the minimization of overall transaction costs, speedy planning and the maximization of the quality of output (products and services). For example, JBIC has executed several national highway improvement projects through Yen loans. MOFA and JICA constructed a training school for road construction workers. JICA also executed technical cooperation projects for the improvement of the road construction skills and technology. This technical cooperation project eventually supplied capable engineers and technicians for road construction and maintenance projects carried out by JBIC, other donors and MOT.

Fifth, the above was also the case in aid cooperation and coordination among donors. As mentioned above, there was very good coordination among Japan, the World Bank, and the Asian Development Bank for the National Highway No.1 Project. Another case of coordination and the division of roles in road construction between the World Bank, U.K., the Asian Development Bank and Japan was also observed. In this case, Japan constructed major national highways, the Asian Development Bank constructed provincial roads and the World Bank and U.K. constructed rural roads. As a result, a comprehensive road network was established in the Red River Delta area within a relatively short time.

Sixth, many positive impacts were identified in the infrastructure development of the transport sector. In the road sub-sector, problems observed were an increase in repair and maintenance costs, and an increase in traffic accidents. Therefore, there is a need to prepare numerous different appropriate counter measures to solve these problems.

Seventh, a firm development aid policy position for the priority sector and the sub-sector on the part of the Government of Japan created a foundation for continuity and thus the accumulation of outcome of development aid. The priority sector and the sub-sector of Japanese ODA to Vietnam have not basically changed since 1994 through to 2005. This firm policy position has provided a significant stability and continuity over the years in the selection, planning and implementation of priority projects. In the review, it is clear that the overall efficiency and effectiveness of Japan's ODA to Vietnam has been achieved and thus contributed to rapid economic growth and poverty reduction, due to this systematic selection and concentration process.

Eighth, the joint evaluation activities were recognized as mutually beneficial and meaningful as a first step. However, a few issues were mentioned by the Vietnamese counterparts such as the limited time allowed for the related organizations to prepare and make concrete terms of reference and also for each participant to share in actual evaluation activities on site. If the joint evaluation activities are to be promoted in the future, more intensive and elaborate works in the preparation stage will bring about further outcomes.

4-4 Recommendations

Based on the whole analysis, the recognition of achievements of the program, and lessons learnt, this evaluation study presents the following recommendations.

1. For long term development aid strategy for the infrastructure sector in Vietnam, especially in the Red River Delta area, the policy approach of the “selection and concentration on the priority sub-sector and/or other issues” should be continued. This kind of strategy has proved meaningful for overall time and transaction costs and also for the achievements of substantial development aid.

However considering the concerns such as the increase in repair and maintenance costs and the increase in traffic accidents in Vietnam, it is recommended that these matters are considered as priority issues and that the development of effective counter measures is also required. As the counter measures against traffic accidents, JICA is currently undertaking a development survey on human resource development on traffic safety in Hanoi. In near future, preparation of a master plan on traffic safety of national scale may be desirable.

2. As far as human resource development is concerned, there are three practical recommendations as follows:

- (1) The components of human resource development in the Yen loan projects should be enhanced. Also the coordination between JICA and JBIC such as dispatching JICA experts to the Yen loan projects, while it is already existing, must be continually promoted. For this purpose, financial and staffing arrangements are necessary.

- (2) In JICA technical cooperation projects relating to the vocational training, technical education and classroom training are regular activities. However, understanding the significance of the OJT and responding to practical needs, an increase in practical training opportunities in the curriculum may be necessary for further capacity development of students and trainees.

- (3) Regarding JICA development surveys, more effective use of the counterparts training program must be considered. If the counterparts training program is designed not only to make the transfer of specific technical skills and subjects but also to promote the technology transfer of the survey skills in general and management know-how of the projects, the development surveys will produce more comprehensive development effects.

3. Since the significant achievements are very evident in the transport sector, where the aid coordination and cooperation among the different Japanese ODA schemes has taken place for a long time. Because the project-based aid tends to decrease and the program-based aid will be more important, such coordination and cooperation within the Government of Japan is highly recommended. The task force group in Vietnam (The Embassy, JBIC and JICA and JETRO), which has been already very

active, should take a further leading role for the promotion of this, in cooperation with MPI of the Government of Vietnam.

4. Aid coordination and cooperation among donors has also gained significant achievements. It is also recommended MPI and MOT should utilize the partnership group and take more initiative in promoting international partnerships with a sense of ownership.
5. As described above, a firm development aid policy position in the priority sector and sub-sector on the part of the Government of Japan created the foundation for continuity and thus the accumulation outcome for development aid. Therefore, it is recommended the priority sector and the sub-sector for Japan's ODA to Vietnam be maintained until the time come when both the governments of Vietnam and Japan confirm satisfactory achievements in all priority sectors and agree to make a strategic change.
6. For the technology transfer of the evaluation technology, it is necessary to execute appropriate technology transfer to the Vietnamese government officials and the private consultants, reflecting their specific needs. In this case, it is important to fully utilize the limited financial and human resources and time.