

# **THE SOCIALIST REPUBLIC OF VIET NAM**

## **Public Administration Country Profile**

Division for Public Administration and Development Management (DPADM)

Department of Economic and Social Affairs (DESA)

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# VIET NAM

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## Government type

Socialist republic

## Independence

2 September 1945 (from France)

## Constitution

15 April 1992 ([in brief](#))

## Legal system

Based on communist legal theory and French civil law system

## Administrative divisions:

58 provinces and 3 municipalities

Source: [The World Factbook](#) - [Viet Nam](#)

The Socialist Republic of Viet Nam is a one-party state, where the Communist Party of Viet Nam (CPV) holds the monopoly of the political process. Since reunification in 1974, Viet Nam has been governed by a troika composed of the President of the State, the Government Prime Minister, and the CPV Secretary General. Key decisions are taken by consensus within the troika.

The general political framework extends to the Party Congress and the Politburo.

Source: [European Commission](#) - [Country Strategy Paper](#)

# 1. General Information

| 1.1 People   | Viet Nam         | Philippines        | Thailand          | 1 |
|--|------------------|--------------------|-------------------|---|
| <b>Population</b>  |                  |                    |                   | a |
| Total estimated population (,000), 2003                  | 81,377           | 79,999             | 62,833            |   |
| Female estimated population (,000), 2003                 | 40,827           | 39,719             | 31,985            |   |
| Male estimated population (,000), 2003                   | 40,550           | 40,280             | 30,848            |   |
| Sex ratio (males per 100 females), 2003                  | 99               | 101                | 96                |   |
| Average annual rate of change of pop. (%), 2000-2005     | 1.35             | 1.79               | 1.01              |   |
| <b>Youth and Elderly Population</b>                      |                  |                    |                   | b |
| Total population under age 15 (%), 2003                  | 31               | 36                 | 25                |   |
| Female population aged 60+ (%), 2003                     | 8                | 6                  | 10                |   |
| Male population aged 60+ (%), 2003                       | 7                | 5                  | 8                 |   |
| <b>Human Settlements</b>                                 |                  |                    |                   | c |
| Urban population (%), 2001                               | 25               | 59                 | 20                |   |
| Rural population (%), 2001                               | 75               | 41                 | 80                |   |
| Urban average annual rate of change in pop. (%), '00-'05 | 3.06             | 3.19               | 2.12              |   |
| Rural average annual rate of change in pop/ (%), '00-'05 | 0.71             | -0.19              | 0.9               |   |
| <b>Education</b>   |                  |                    |                   | d |
| Total school life expectancy, 2000/2001                  | 10.4             | 11                 | ..                | 1 |
| Female school life expectancy, 2000/2001                 | ..               | ..                 | ..                | 1 |
| Male school life expectancy, 2000/2001                   | ..               | ..                 | ..                | 1 |
| Female estimated adult (15+) illiteracy rate (%), 2000   | 9.3 <sup>i</sup> | 5.2 <sup>ii</sup>  | 6.1               | 2 |
| Male estimated adult (15+) illiteracy rate (%), 2000     | 5.5 <sup>i</sup> | 4.9 <sup>ii</sup>  | 2.9               | 2 |
| <b>Employment</b>  |                  |                    |                   | e |
| Unemployment rate (15+) (%), 2000                        | ..               | 9.8 <sup>iii</sup> | 2.4 <sup>iv</sup> | 1 |
| Female adult (+15) economic activity rate (%), 2000      | 74 <sup>v</sup>  | 53 <sup>iii</sup>  | 65                | 2 |
| Male adult (+15) economic activity rate (%), 2000        | 82 <sup>v</sup>  | 82 <sup>iii</sup>  | 81                | 2 |

Notes: <sup>i</sup> 1999; <sup>ii</sup> 1990; <sup>iii</sup> 2001, Month of October; <sup>iv</sup> Third round (Aug.) of each year, Persons aged 13 years and over; <sup>v</sup> 1989

| 1.2 Economy   | Viet Nam          | Philippines | Thailand | 2 |
|---|-------------------|-------------|----------|---|
| <b>GDP</b>  |                   |             |          | a |
| GDP total (millions US\$), 2002                     | 35,110            | 77,076      | 126,407  |   |
| GDP per capita (US\$), 2002                         | 436               | 964         | 2,052    |   |
| PPP GDP total (millions int. US\$), 2002            | 180,344           | 321,495     | 418,222  |   |
| PPP GDP per capita(int. US\$), 2002                 | 2,240             | 4,022       | 6,788    |   |
| <b>Sectors</b>                                      |                   |             |          | b |
| Value added in agriculture (% of GDP), 2003         | 23.0 <sup>i</sup> | 14.5        | 8.8      |   |
| Value added in industry (% of GDP), 2003            | 38.5 <sup>i</sup> | 32.3        | 41.4     |   |
| Value added in services (% of GDP), 2003            | 38.5 <sup>i</sup> | 53.2        | 49.8     |   |
| <b>Miscellaneous</b>                                |                   |             |          | c |
| GDP implicit price deflator (annual % growth), 2003 | 5.4               | 3.7         | 2.1      |   |
| Private consumption (% of GDP), 2003                | 66.0              | 72.3        | 61.6     |   |
| Government consumption (% of GDP), 2003             | 6.9               | 11.4        | 8.9      |   |

Notes: <sup>i</sup> 2002

<sup>1</sup> United Nations Statistics Division:

<sup>a</sup> Statistics Division and Population Division of the UN Secretariat; <sup>b</sup> Statistics Division and Population Division of the UN Secretariat; <sup>c</sup> Population Division of the UN Secretariat; <sup>d1</sup> UNESCO; <sup>d2</sup> UNESCO; <sup>e1</sup> ILO; <sup>e2</sup> ILO/OECD

<sup>2</sup> World Bank - Data and Statistics:

<sup>a</sup> Quick Reference Tables; <sup>b</sup> Data Profile Tables; <sup>c</sup> Country at a Glance

| 1.3 Public Spending                 | Viet Nam | Philippines      | Thailand |   |
|-------------------------------------|----------|------------------|----------|---|
| <b>Public expenditures</b>          |          |                  |          | 3 |
| Education (% of GNP), 1985-1987     | ..       | 2.1              | 3.4      | a |
| Education (% of GNP), 1995-1997     | 3        | 3.4              | 4.8      | a |
| Health (% of GDP), 1990             | 0.9      | 1.5              | 0.9      |   |
| Health (% of GDP), 1998             | 0.8      | 1.6 <sup>i</sup> | 1.9      |   |
| Military (% of GDP), 1990           | 7.9      | 1.4              | 2.2      | b |
| Military (% of GDP), 2000           | ..       | 1.2              | 1.6      | b |
| Total debt service (% of GDP), 1990 | 2.7      | 8.1              | 6.2      |   |
| Total debt service (% of GDP), 2000 | 4.2      | 9                | 11.5     |   |

Notes: <sup>i</sup> 1999

| 1.4 Public Sector Employment and Wages     |            |                       |                       |   |   |  |
|--|------------|-----------------------|-----------------------|---|---|--|
| <i>Data from the latest year available</i> |            | Viet Nam<br>1991-1995 | Viet Nam<br>1996-2000 | East Asia &<br>Pacific<br>average <sup>4</sup><br>1996-2000 | ..<br>average <sup>4</sup><br>1996-2000 | Low income<br>group<br>average <sup>4</sup><br>1996-2000 |
| <b>Employment</b>                          |            |                       |                       |   |   |  |
| Civilian Central Government <sup>5</sup>   | (,000)     | 264.0                 | 201.0                 |   |   |  |
|  | (% pop.)   | 0.36                  | 0.27                  | 0.63  | ..                                      | 0.46   |
| Sub-national Government <sup>5</sup>       | (,000)     | 930.0                 | 1,077.0               |   |   |  |
|  | (% pop.)   | 1.27                  | 1.43                  | 0.63  | ..                                      | 0.46   |
| Education employees                        | (,000)     | 825.0                 | 741.0                 |   |   |  |
|  | (% pop.)   | 1.13                  | 1.00                  | 0.76  | ..                                      | 0.91   |
| Health employees                           | (,000)     | 318.0                 | 168.0                 |   |   |  |
|  | (% pop.)   | 0.44                  | 0.23                  | 0.16  | ..                                      | 0.62   |
| Police                                     | (,000)     | ..                    | 951.0                 |   |   |  |
|  | (% pop.)   | ..                    | 1.28                  | 0.26  | ..                                      | 0.30   |
| Armed forces                               | (,000)     | 572.0                 | 484.0                 |   |   |  |
|  | (% pop.)   | 0.81                  | 0.65                  | 0.53  | ..                                      | 0.33   |
| SOE Employees                              | (,000)     | 1,781.0               | 1,915.0               |   |   |  |
|  | (% pop.)   | 2.44                  | 2.58                  | 1.18  | ..                                      | 13.10  |
| Total Public Employment                    | (,000)     | 4,690.0               | 5,537.0               |   |   |  |
|  | (% pop.)   | 6.46                  | 7.43                  | ..  | ..                                      | ..   |
| <b>Wages</b>                               |            |                       |                       |   |   |  |
| Total Central gov't wage bill              | (% of GDP) | 3.0                   | ..                    | 9.4   | ..                                      | 5.4  |
| Total Central gov't wage bill              | (% of exp) | ..                    | ..                    | 24.4  | ..                                      | 24.7   |
| Average gov't wage                         | (,000 LCU) | ..                    | ..                    |   |   |  |
| Real ave. gov't wage ('97 price)           | (,000 LCU) | ..                    | ..                    |   |   |  |
| Average gov't wage to per capita GDP ratio |            | ..                    | ..                    | 2.9   | ..                                      | 4.4  |

Source: [World Bank](#) - [Public Sector Employment and Wages](#)

<sup>3</sup> UNDP - [Human Development Report 2002](#)

<sup>a</sup> Data refer to total public expenditure on education, including current and capital expenditures.

<sup>b</sup> As a result of a number of limitations in the data, comparisons of military expenditure data over time and across countries should be made with caution. For detailed notes on the data see SIPRI (2001).

<sup>4</sup> Averages for regions and sub regions are only generated if data is available for at least 35% of the countries in that region or sub region.

<sup>5</sup> Excluding education, health and police – if available (view [Country Sources](#) for further explanations).

## 2. Legal Structure

Article 4 of the Constitution stipulates the leading role of the Communist Party of Viet Nam (CPV).<sup>6</sup> The CPV's executive is the 150-member Central Committee, elected by the Congress of all party members, which meets every five years (last in 2001). The Central Committee then elects a 15-member Politburo, which in turn elects the General Secretary of the CPV, currently Mr. Non Duc Manh. A number of Central Committee and Politburo members also hold senior positions in the State or Government including President Tran Du Luong and Prime Minister Phan Van Khai.

Source: [European Commission - Country Strategy Paper](#)

### 2.1 Legislative Branch

Unicameral National Assembly or Quoc-Hoi (498 seats; members elected by popular vote to serve five-year terms).<sup>7</sup>

*women in parliament:* 136 out of 498 seats: (27%).<sup>8</sup>

The National Assembly, established by the Constitution of 1992, is the supreme organ of state and the only body with constitutional and legislative power.

Source: [Embassy of the S.R. of Viet Nam \(USA\) - Governmental Structure](#) (edited)

The National Assembly shall decide the fundamental domestic and foreign policies, the socio-economic tasks, the country's national - defence and security issues, the essential principles governing the organization and activity of the State machinery, the social relations and the activities of the citizen.

The National Assembly shall exercise supreme control over all activities of the State.

The duration of each National Assembly is five years. Two months before the end of its tenure, a new National Assembly shall have been elected. The electoral procedure and the number of members of the National Assembly shall be established by law. In special cases, with the approval of at least two thirds of its members, the National Assembly can either reduce or prolong its period of tenure. The National Assembly shall hold two sessions each year, to be convened by its Standing Committee.

Source: [Embassy of the S.R. of Viet Nam \(USA\) - National Assembly](#)

The National Assembly elects the President of the State, the Prime Minister, the Chief Procurator of the Supreme People's Court and the Chief Procurator of the Supreme People's Office of Supervision and Control

Source: [Embassy of the S.R. of Viet Nam \(USA\) - Government Overview](#)

The country's President, the Standing Committee of the National Assembly, the Nationalities Council and Committees of the National Assembly, the Government, the Supreme People's Court, the Supreme People's Office of Supervision and Control, the Viet Nam Fatherland Front and its member organisations may present draft laws to the National Assembly.

Source: [1992 Constitution](#)

<sup>6</sup> [Embassy of the S.R. of Vietnam \(USA\) - Government Overview](#)

<sup>7</sup> Source of fact boxes if nothing else stated: [The World Factbook - Viet Nam](#)

<sup>8</sup> [Inter-Parliamentary Union - Women in National Parliaments](#)

In 2002 the number of deputies was increased from 450 to 498 and the number of permanent deputies from 100 to 125. Most importantly, the National Assembly was mandated to request votes of confidence on Ministers and to perform a stronger role on budget oversight. It is thus moving closer to a full-fledged independent law and policy making institution.

Source: [World Bank - Development Report 2003](#)

The last elections of May 2002 resulted in a large majority of CPV members including senior party and government figures being elected. No independent monitoring of the elections was allowed and all candidates had to be approved by an election committee, which reported to the CPV. The Assembly subsequently re-elected the President and Prime Minister and approved the Prime Minister's proposed reshuffle of government ministers.

Source: [European Commission - Country Strategy Paper](#)

## 2.2 Executive Branch

*cabinet:* Cabinet appointed by the president on the proposal of the prime minister and ratification of the National Assembly

*elections:* President elected by the National Assembly from among its members for a five-year term; election last held 25 July 2002 (next to be held when National Assembly meets following legislative elections in 2007).

The Government is the executive organ of the National Assembly, the highest organ of state administration of the Socialist Republic of Viet Nam. It shall carry out overall management of the work for the fulfillment of the political, economic, cultural, social, national - defense, security and external duties of the State.

The Government shall be composed of the Prime Minister, the Deputy Prime Ministers, the Cabinet Ministers, and other members. With the exception of the Prime Minister, its members are not necessarily members of the National Assembly.

Source: [Embassy of the S.R. of Viet Nam \(USA\) - Government](#)

The President of the State and the Prime Minister are elected by the National Assembly. His term of office follows that of the National Assembly.

The President has the right to nominate candidates for a number of key positions including the Chief Justice of the Supreme People's Court and the Procurator-General of the People's Office of Supervision and Control. Nominees are then approved by the National Assembly.

The Prime Minister, who is charged with the day-to-day handling of the Government, has the right to nominate and dismiss the members of his cabinet, though only with the approval of the National Assembly. He also has at his disposal the power to cancel or suspend decisions or directives issued by the ministries.

Source: [Embassy of the S.R. of Viet Nam \(USA\) - Governmental Structure](#)

### Fact box:

*chief of state:* President  
Tran Duc LUONG (since 24  
September 1997)

*head of government:* Prime  
Minister Phan Van KHAI  
(since 25 September 1997);  
First Deputy Prime Minister  
Nguyen Tan DUNG (since  
29 September 1997);  
Deputy Prime Ministers Vu  
KHOAN (since NA) and  
Pham Gia KHIEM (since 29  
September 1997)

## 2.3 Judiciary Branch

Supreme People's Court (chief justice is elected for a five-year term by the National Assembly on the recommendation of the president).

The Supreme People's Court, the local People's Courts, the Military Tribunals and the other tribunals established by law are the judicial organs of the Socialist Republic of Viet Nam.

Under special circumstances, the National Assembly may decide to set up a Special Tribunal. At the grassroots appropriate popular organizations shall be set up to deal with minor offenses and disputes among the people according to the provisions of the law.

The tenure of the President of the Supreme People's Court shall be the same as that of the National Assembly. The regime of the appointment, release from duty, dismissal, and the tenure of office of the judges; the system of election and the tenure of office of people's assessors in People's Courts at every level shall be determined by law. Trials before People's Courts with the participation of people's assessors and before Military Tribunals with the participation of military assessors shall be conducted in conformity with the provisions of the law. During a trial the assessors shall be on an footing with the judges. During a trial the judges and assessors are independent and shall only obey the law. The People's Courts shall hold their hearings in public, except in cases determined by law.

The People's Courts shall try their cases collegially and their decisions shall be in conformity with the will of the majority.

The right of the defendant to be defended is guaranteed. The defendant can either conduct his own defense or ask someone else to do it. An organization of barristers shall be set up to help the defendant and other parties in a law case to defend their rights and legitimate interest and contribute to the safeguarding of socialist legality.

The People's Court shall guarantee that citizens of the Socialist Republic of Viet Nam who are members of various nationalities can use their own respective languages and system, of writing in court.

The Supreme People's Court is the highest judicial organ of the Socialist Republic of Viet Nam. It supervises and directs the judicial work of local People's Court and Military Tribunals. It supervises and directs the judicial work of Special Tribunals and other tribunals, unless otherwise prescribed by the National Assembly at the establishment of such Tribunals. The president of the Supreme People's Court is responsible and makes his report to the National Assembly and, when the latter is not in session, to its Standing Committee and to the country's President. The President of the local People's Court is responsible to and makes his reports to the People's Council. The sentences and decisions of the People's Court which have acquired legal effect must be respected by State organs, economic bodies, social organizations, armed unit and all citizens. They must be seriously implemented by the individuals and organs concerned.

Source: [Embassy of the S.R. of Viet Nam \(USA\) - Supreme People's Court](#)

## **2.4 Local Government**

On a formal level Viet Nam's local administration system is divided geographically into three levels:

- provinces (about 60 units including three municipalities);
- districts (about 600 units); and
- communes (about 10,400 units).



At all three levels there is a representative body (the people's council) and an executive body (the people's committee). The people's committees and people's councils often have overlapping membership. The local people elect the people's council, the candidates for which are usually nominated by the Viet Nam Fatherland Front<sup>9</sup> and approved by the higher-level administrative unit. The people's council selects the chairman and vice-chairman of the people's committee.

While ultimate legislative authority rests with the National Assembly, provincial and local departments have a dual reporting responsibility to the local people's committee and assembly, and to the central line ministries. Responsibility for planning, implementation and operation of facilities is split, although the implications of this vary from province to province, depending on the importance of the province. Large urban centers under central administration and a good number of provincial governments enjoy a high degree of autonomy. For example they are authorized to license foreign investments up to a certain value, approve certain local socioeconomic development plans and formulate their own budgets.

The local administration, the people's committee, has budgetary and administrative responsibilities. They are charged with maintaining law, order and security within their jurisdictions; forwarding budget requests to higher levels; reviewing and approving plans for socioeconomic development within their delegated authority; executing the budget; and undertaking duties as assigned by higher levels of administrations.

Local authorities can only carry out administrative functions that are assigned by national legislation. In accordance with the provisions made in the 1992 constitution, a number of laws provide the basic framework for local government organization. The Budget Law that was passed in 1996 then formalized the fiscal arrangements between different levels of government, assigning important budget responsibilities to local authorities, especially at the provincial level. As a result, the people's committee has now both budgetary and administrative responsibilities.

Under the 1992 constitution the popularly elected people's council is 'the local organ of the State power'. But in practice there are some obstacles to the council carrying out this function. While the tasks of people's councils are increasing both in terms of importance and volume of work, they often have inadequate resources, skills and infrastructure. Meeting only twice a year, often after the National Assembly's semiannual sessions, their contribution to policy discussions at the national level is limited.

Although various laws and decisions have helped to clarify respective roles and authority, in particular the 1996 Ordinance on the Specific Tasks and Powers of the People's Councils and People's Committees at each level, there are continuing coordination problems between central and local government, both due to unclear laws and a continuation of the tradition of local autonomy discussed earlier. Many central government decisions were not elaborated as guidelines by local governments, and thus could not be implemented. Local governments issued regulations contradicting those of central government. Local governments launched and expanded SOEs, managed natural resources and undertook imports and exports often contrary to central policy.

Both the National Assembly and local authority have overlapping roles in deciding on revenue collection and expenditure and on personnel issues. The latter has been clarified somewhat in a 2001 revised law that delegates more powers to localities in

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<sup>9</sup> The officially designated body for mobilizing the public to support party directives.

areas of budget and organization of personnel. Yet the unclear demarcation of the mandates of various agencies continues to leave room for discretion in interpretation of responsibility and accountability where there are overlapping functions and duties.

Source: [International Public Management Review - "Hierarchies, Networks and Local Government in Viet Nam" \(2003\)](#)

## 3. The State and Civil Society

### 3.1 Ombudsperson

Source: [Institution](#) - [Title](#)

### 3.2 NGOs

Source: [Institution](#) - [Title](#)

### 3.3 Civil Society

The principle "people know, people discuss, people execute and people supervise" which has been repeatedly mentioned in documents and policies of the Viet Nam's Communist Party (CP) reflects the wish of the Government to encourage every social organization and citizen participating in formulating, implementing and monitoring policies. This principle has been realized through the Directive 30/CT issued by the Central Committee of the Viet Nam's CP on Grassroots Democracy.

In order to implement the Directive of the Central Committee of the Viet Nam's CP, the Government has passed a number of decrees concerning grassroots democracy, e.g. Grassroots Democracy at the Commune (Decree 29/1998/ND-CP issued May 11, 1998), at Grassroots Democracy at agencies (Decree 71/1998/ND-CP dated September 8, 1998) and Grassroots Democracy at state owned enterprises (Decree 07/1999/ND-CP issued February 13, 1999). In those decrees, the Grassroots Democracy Decree at Commune has been considered the legal basis for strengthening the participation of local communities at the local level. The article 4 of the Decree requested local government be responsible for providing information concerning policies, laws, long-term and annual socio-economic development plans of the communes, land-use plans and annual draft budget. Besides the rights to be informed, the Decree also stipulated the rights of citizen to be involved in discussing and deciding the level of their contribution, in establishing local committees monitoring construction projects contributed by citizen, and in assessing activities of People's Committee and People's Council of the communes. The Decree differentiates four levels of participation of citizen: sharing information, providing comments, participating in decision-making and monitoring.

To facilitate the participation of citizen towards devolving decision-making power to local government, the Government recognized the need to strengthening partnerships with other organisations working for the benefits and needs of the people, by continuing to encourage and support the work of mass organisations. The Government also recognized the need to put in place a legal and policy framework for associations and domestic NGOs, for example issuance of the Decree 35/CP in 1992 on Some Measures to Encourage Scientific and Technological Activities, which allows individuals establish their own science and technology organisations, Decree 177/CP in 1999 concerning social and charity funds, and the recent Law on Science and Technology in 2000

Source: [National Institute for Science and Technology Policy and Strategy Studies](#) - "Civil Society and NGOs in Viet Nam"

## 4. Civil Service

In May 1991, the Government issued a Decree defining civil servants as “a Viet Nameese citizen who is recruited, appointed to have a permanent job in a state agency ... and gets a salary from the state budget”.

Subsequently this was developed further to cover in a more formal legal sense (by statute): 1) elected officials; 2) judges; 3) people working in central administrative agencies; 4) military and security employees; and 5) executive level officials.

The civil service overall is seen as: 1) an executive unit of the State Administration; 2) an executor of political decisions through Government agencies and its civil servants; 3) as a manager of administrative activities in the public sector; and 4) as a provider of public services for socioeconomic activities and as being made up of the following elements: 1) institutions and agencies and 2) the contingent of civil servants.

In 2000, the “contingent” of civil servants consisted of approximately 1.2 million employees, of which only 200 000 were working in the central “state administrative agencies”. Most of the balance of the “contingent” was employed in education and health care.

In September 2001, The Public Administration Reform (PAR) Master Program, was approved following extensive deliberations at the highest levels of the leadership including the CPV. The PAR envisages the reform of the entire public administration system by 2010.<sup>10</sup>

Source: [AusAID - Viet Nam: public sector management \(4/2000\)](#)

### 4.1 Legal basis

After the 1992 Constitution, the administrative institution system has been gradually renewed to be responsive and suitable to the requirements of State management and of public service delivery in the new period.

Source: [Government's Steering Committee - review of public administration reform](#)

Until 1993 there was no basic legal framework existing to manage the public servant. It started with the process of implementation of ordinance 25/CP (issued 23 May 1993) with series of decisions from the Minister who leads the Government Committee for Organization and Personnel (GCOP). The ordinance promulgated standards of positions, grades, level of civil servants in different professions and new salary system.

Some important legal documents have been promulgated to build up a new legal framework as basic foundations for the management of public and civil servants. They include:

- Ordinance on cadres and Civil servants promulgated 9 March 1998;

Source: [Government's Steering Committee - review of public administration reform IV \(edited\)](#)

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<sup>10</sup> [Asian Development Bank - Public Administration](#)

### **Order No. 2-L/CTN to promulgate the Ordinance on public employees.**

Ordinance on Public Employees: Chapter II sets forth the duties of public servants (including maintenance of a "healthy lifestyle") and the rights of public employees with regard to conditions of employment and social security. Chapter III prohibits public servants from being "lazy," "authoritarian" and "overbearing", and from working for a private enterprise. Chapter IV provides for the recruitment, training, management, and retirement of public servants, and Chapter VI deals with commendations and disciplinary actions.

Source: [International Labour Organization - NATLEX \(edited\)](#)

- Decrees no: 95/CP; 96/CP; 97/CP issued on 17 November 1998 providing detail explanation to the content and provisions contained in the ordinance on cadres and civil servants;
- Decision of GCOP's chairman stipulating the rules on qualification tests for recruitment and for promotion of the public and civil servants; Circulars guiding the recruitment, promotion and management of public and civil servants;
- Decision of GCOP's chairman promulgating the standards of positions, grades, level of civil servants in different professional (issues since 1993 and it is still effective) consists of 22 professional standards for grading in different professions, and 12 occupational standards for departmental directors and equivalent level.
- Other regulations and circulars guiding the implementation of training, and regulating the implementation of salary and allowance for specific types of public servants.

Source: [Government's Steering Committee - review of public administration reform IV \(edited\)](#)

The most significant result is the set-up of a new legal framework on developing the cadres and civil servants through the promulgation of the Ordinance on Public Employees and documents for guiding the implementation.

The system of legal documents stating guidelines and direction of the Party and State on development of civil servant is not comprehensive and uniformed for design, planning and implementation. The Ordinance on Public Employees too broadly defined obligations and rights of civil servants, there is a lack of legal document on reward, discipline of civil servants.

Source: [Government's Steering Committee - review of public administration reform](#)

## **4.2 Recruitment**

### **Circular No. 04/1999TT-TCCP.**

Provides guidelines for the recruitment and employment of public employees (organization of recruitment examinations, upgrading and transfer of class, rules on recruitment and job acceptance etc.), the management of public employees, as well as for the organization of the implementation of the Circular.

Gradually personnel management in terms of recruitment, appraisal, grade promotion examination, reward and discipline regime, promotion and training has been performed in line with regulated procedures and routines. Almost all new cadres and civil servants have been selected to work for line agencies and local authorities by the entry-examination method.

Recruitment by examination can ensure that talented and ethical people, who satisfy the standardized qualification of civil servants, are selected to work in the State agencies. The method can also ensure social equality as every person has the opportunity to become a civil servant.

Source: [Government's Steering Committee - review of public administration reform](#)

### **4.3 Promotion**

The process of organizing, assigning jobs to and promoting civil servants is still not objective and reasonable. In several organisations, many good staff have not been encouraged and assigned with proper tasks, many unqualified staff have not been replaced and there are still staff who are aged and not healthy enough. These facts cause problems of both understaffing of competent staff and overstaffing of non-performing staff. This situation also results in a gap between succeeding generations. There remain negative behaviors in dealing with personnel affairs.

The implementation of designing criteria for the assignment of titles and for staffing is delayed. Old regulations issued more than ten years ago are still used. Staff allocation does not yet reasonably fit the structure of agencies. Personnel allocation does not rely on a rational foundation to determine appropriate staff-size and policy for civil servants.

Source: [Government's Steering Committee - review of public administration reform](#)

### **4.3 Remuneration**

Salary reform since May 1993:

- Decision No.69-QD/TW dated 17/5/1993 of the Party Central Secretariat regulating salary system for public cadres and civil servants working for party organizations and mass associations;
- Decision No.35/solution/UBTVQHK9 on 17 May 1993 of the National Assembly's Standing Committee stipulated the salary scales for people's elected positions in the state agencies in central, people's councils from provincial to district levels and the salary scales for staff who work for juridical courts and inspectorates.
- Decree No. 25/CP dated 23 May 1993 of Government stipulates the salary system of the people's elected positions in the state administrative system from provincial to districts level and the system of salary scales for service and administrative bodies;
- In line with the implementation of above stated decrees, chairman of GCOP promulgated decisions on title standards and salary scales in accordance with the styles of public servants in service and administrative organizations.
- The present salary system has been applied since middle of 1993. Basically the public servants' incomes have been salaried (although it is not thoroughly).

Initially salary has been distinguished by the specification and characteristics of specific types of labour among civil servants in the state administration (people's elected members, administrative personnel, service staff in production and state owned enterprises and armed force staff... etc.) A specific salary system is designed for public servants who work in the sectors of state administration and services. Salaries are based on titles, performance standards of each public servants grade.

The system motivates public servants to give effort to enhance their knowledge and qualification and regularly standardizes the contingents of public servants.

Source: [Government's Steering Committee - review of public administration reform IV](#)

The system of remuneration policies for civil servants and cadres have been changed in a more positive and specific direction. For example, basic income of cadres and civil servants has been monetized through salary. To some extent, salary is differentiated by the characteristics and nature of the jobs done by different types of civil servants (classified by types of employing organization such as: political, administrative, service, armed forces and production organisations). Especially, a separate salary table for administrative and service organisations has been designed. Now, civil servants in these fields are placed in different salary scales and steps, depending on the position titles and standards required by their occupied positions. This has had a motivational impact on civil servants by making them to improve their qualification, resulting, step-by-step, in a rational structure of civil servants.

Salary is insufficient for civil servants to maintain an average living standard. The gap between nominal salary and actual income has widened. Therefore the current salary levels fail to motivate civil servants to perform better and to attract and retain talented staff for public sector. This is one of the main reasons causing corruption, low performance and low quality of services. Moreover, there are also other weaknesses. For instance, the salary does not yet incorporate all non-monetary allowances (housing, telephone, car, maid...). The relationship between salaries in the administrative/services sector and the production/ business sector is getting increasingly irrational and the state administrative sector has the lowest salary level. The current salary tables and scales designed by grades and steps are too complicated with a very small differential between two consecutive steps. A salary increment therefore has a very little impact on motivation.

Source: [Government's Steering Committee - review of public administration reform](#)

#### **4.4 Training**

To renovate the field of training and improve knowledge and skills of public servants the government has:

- Approved "Proposal on training, upgrading civil servants" August 1996;
- Promulgated decision No. 874/TTg dated 20 Nov 1996 on training and upgrading public servants with reinforcement of 10 legal documents to guide the implementation of the decision.

These legal documents and regulations form an important legal framework to be used as basis for determining training objectives, directions, contents and measures to improve training activities for public servants.

Source: [Government's Steering Committee - review of public administration reform IV](#)

In-service training and upgrading of civil servants has focused on providing new management knowledge and skills for the staff. The number of civil servants participating in this kind of training has increased considerably. In 1998, nearly 15% of civil servants at central level and 10% at local level participated in training courses. In 1999, the number increased to 20% and 12% respectively.

The training curricula have been improved with focus on providing basic knowledge needed for civil servants to perform their jobs, such as political training, state administration, and economic management in market environment, computer and foreign language skills. The capacity of in-service training schools has been

strengthened to a certain extent. Apart from National Institute for Public Administration and National Political Academy Ho Chi Minh, there are also 62 provincial political training schools, nearly 30 ministerial in-service training schools, and 600 training centers of district level. The number and quality of trainers of these schools have increased.

Training and upgrading of the civil servants is only at an initial stage. It has not been orderly implemented and the content is not fully relevant. The curricula are not practical. There is too much emphasis on theories and too little on the training of skills, relevant to the jobs; public administration has not been developed as an official subject for study. The physical conditions of training schools are poor and therefore the effectiveness of training is reduced, including selection, organization of training courses and utilization after training. A major concern is that performance of staff after training is either not improved or improved only to a limited extent. The requirement to obtain all formal qualifications (foreign language, computer skills, state administration, political training...) has led to a situation where staff, by all means try to become eligible to take recruitment or promotion exams. However, they may be incompetent although they have all formal qualifications.

Source: Government's Steering Committee - review of public administration reform

#### **4.5 Gender**

Source: Institution - Title



## 5. Ethics and Civil Service

### 5.1 Corruption

2003 CPI Score relates to perceptions of the degree of corruption as seen by business people and country analysts and ranges between 10 (highly clean) and 0 (highly corrupt).

| Corruption Perceptions Index |                |                |              |                    |                |              |                             |
|------------------------------|----------------|----------------|--------------|--------------------|----------------|--------------|-----------------------------|
|                              |                | 2003 CPI Score | Surveys Used | Standard Deviation | High-Low Range | Number Inst. | 90 percent confidence range |
| Rank                         | Country        |                |              |                    |                |              |                             |
| 1                            | Highly clean   | 9.7            | 8            | 0.3                | 9.2 - 10.0     | 4            | 9.5 - 9.9                   |
| 100                          | Viet Nam       | 2.4            | 8            | 0.8                | 1.4 - 3.6      | 6            | 1.9 - 2.8                   |
| 133                          | Highly corrupt | 1.3            | 8            | 0.7                | 0.3 - 2.2      | 6            | 0.9 - 1.7                   |

Source: [Transparency International - Corruption Perceptions Index 2003](#)

**Surveys Used:** Refers to the number of surveys that were used to assess a country's performance. 17 surveys were used and at least 3 surveys were required for a country to be included in the CPI.

**Standard Deviation:** Indicates differences in the values of the sources. Values below 0.5 indicate agreement, values between 0.5 and c. 0.9 indicate some agreement, while values equal or larger than 1 indicate disagreement.

**High-Low Range:** Provides the highest and lowest values of the sources.

**Number Institutions:** Refers to the number of independent institutions that assessed a country's performance. Since some institutions provided more than one survey.

**90 percent confidence range:** Provides a range of possible values of the CPI score. With 5 percent probability the score is above this range and with another 5 percent it is below.

Corruption in Viet Nam thrives because of complicated and unclear administrative procedures, excessive regulations, the opaque nature of decision-making, lack of public information, bureaucratic discretion on the part of middle-level officials, and long delays. State agencies and individuals regularly violate laws, and those responsible for law enforcement also often violate the law in their adjudication practices. Corrupt practices are also exacerbated by the weak accountability of the State enterprise sector. Another contributing factor is low public sector pay. Despite some recent increases, the basic salary is equivalent to about US\$12 per month, while the most senior civil servants receive around US\$104 per month. However, salaries represent only part of civil servants' remuneration. They also receive allowances (including for housing) and collect various payments for services rendered in their work. In some cases, the ministry or agency pools these unofficial payments and distributes them to staff at the end of the month. Despite this, many civil servants cannot make ends meet without a second income. This results in civil servants pursuing various strategies to augment their incomes, ranging from holding multiple public sector offices or maintaining other employment through to petty bribe taking and corrupt practices.

Both government and Vietnamese communist party (VCP) policies emphasize their opposition to public sector corruption, and the government has issued new decrees on corruption and on the elimination of wasteful practices in the public sector. Disciplinary actions as a result of investigations by the state inspectorate and the VCP are also increasing. Recent achievements also include simplifying administrative procedures in ministries and agencies at the central and local levels, restructuring ministries through mergers, defining roles and functions more clearly, and introducing more transparent personnel procedures. In 1990, 18,000 officials were

dismissed or charged with corruption. In 1998, the ordinance against corruption was approved, and the Prime Minister established a hotline to receive business complaints. In addition to the general state inspectorate, several ministries now have units for tackling grievances and corruption. The VCP launched an anticorruption campaign in 2000, but results have been limited. Promulgation of the civil code in 1998 provided the public with avenues for redressing complaints and for mediation in disputes with government administrators. Additional measures are needed, for example, minimizing red tape and arbitrary discretion, increasing the amount of information in the public domain, harnessing citizens' groups to fight corruption, and developing an appropriate legal framework (World Bank, 2000b). The government's efforts to turn state enterprises into shareholding companies could help to reduce corruption, but the process has been slow. 5,991 state enterprises remain; in comparison, only 502 have been "equitized" (PERC, 2001). By comparison, the PRC by 1999 had cut state enterprise employment by nearly half in 2 years.

The government's recently completed public administration review (PAR) review proposes a number of additional reforms. The review's recommendations include a variety of provisions, such as obtaining public comments on draft legislation, improving the dissemination of information about new legislation and about court judgements, streamlining the corporate regulatory framework, and professionalizing the civil service. However, targets being set are modest, and progress toward achieving them slow. Again, the comparison with PRC is instructive; while Viet Nam targets a 15% drop in civil service employment, PRC is on track to achieve a 50% drop.

Source: [Asian Development Bank - "Combating Corruption in Southeast Asia"](#)

## 5.2 Ethics

Bearing in mind the view stating that public servants must be "Servants of people" in recent years, ethical values in behavior of public servants have been in good progress and institutionalized. Legal document to stipulate rule on ethnical matter of public servants as following:

- Ordinance on public cadres and civil servants issued 9 Mar 1998;
- Ordinance on practicing thrift, stipulated on 9 Mar 1998;
- Anti-corruption Ordinance stipulated 9 Mar 1998
- Law on complains and denouncement stipulated 11 Dec 1998

**Order No. 2-L/CTN to promulgate the Ordinance on public employees, the Ordinance on the practice of thrift and the combat against wastefulness, and the Ordinance against corruption.**

Ordinance on Public Employees: Chapter II sets forth the duties of public servants (including maintenance of a "healthy lifestyle") and the rights of public employees with regard to conditions of employment and social security. Chapter III prohibits public servants from being "lazy," "authoritarian" and "overbearing", and from working for a private enterprise. Chapter IV provides for the recruitment, training, management, and retirement of public servants, and Chapter VI deals with commendations and disciplinary actions. The Ordinance on the practice of thrift and the combat against wastefulness specifies measures to be taken to reduce wastefulness, which include the organization of workers employed by public bodies in a rational manner. The Ordinance against Corruption prohibits the procuring and

receiving of bribes, and provides for the declaration of valuable property by public officials and the handling of corruption cases.

**Ordinance amending and supplementing a number of articles of the ordinance on officials and public employees (No.21/2000/PL-UBTVQH10)**

Imposes certain restrictions on the economic activities of officials and public employees. For instance, these shall not be allowed to establish or participate in establishing, managing or running private enterprises, limited liability companies, joint stock companies, partnerships, cooperatives, private hospitals, private schools and private scientific research institutions.

Source: [International Labour Organization - NATLEX](#)

Generally speaking, in the absolute meaning of the concept “public servant”, public servants are not yet committed themselves as the “servants to the people”. Their service quality delivered to citizens is not seen as the first priority and not as a measurement for performance efficiency and quality. Therefore, relationship between civil servants and citizens is not really the relationship between servicemen and person being served but rather than the kind of relationship in the old days as Bag and Give manner. The phenomenon such as red tape, power abuse and administrative harassment can be seen with ease among the public servants.

- It is rather popular with the situation of bureaucratic, patronage and impolite behaviors shown by public servants in their inter-personal relationship and communication at work.
- In some groups of servant there is not high commitment to learning and self-improvement. Their working attitudes is in a rather leisure manner with low efficiency and productivity.
- The situation of localization, fellowship, poor solidarity among the both of central and local level is easily detected among public servants.
- Part of public servants is morally deteriorated. They abuse their position in taking bribery, corrupting other, doing contraband trade - ect. In order to make illegal fortune and seriously violate public service disciplinary state laws and regulations.

Source: [Government's Steering Committee - review of public administration reform IV](#)

## 6. e-Government

### e-Government Readiness Index:

The index refers to the generic capacity or aptitude of the public sector to use ICT for encapsulating in public services and deploying to the public, high quality information (explicit knowledge) and effective communication tools that support human development.

The index is comprised of three sub-indices: Web Measure Index, Telecommunications Infrastructure Index and Human Capital Index.

### Web Measure Index:

A scale based on progressively sophisticated web services present. Coverage and sophistication of state-provided e-service and e-product availability correspond to a numerical classification.

### Telecommunications Infrastructure Index:

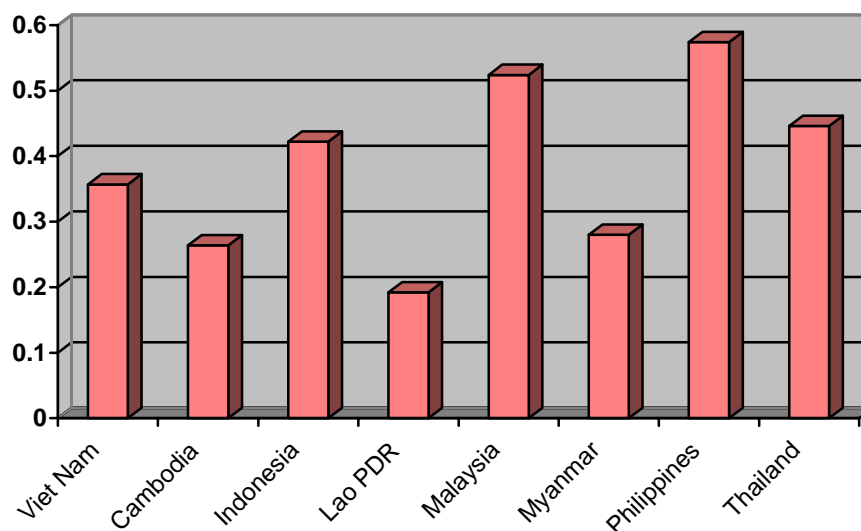
A composite, weighted average index of six primary indices, based on basic infrastructural indicators that define a country's ICT infrastructure capacity.

Primary indicators are: PC's, Internet users, online population and Mobile phones. Secondary indicators are TVs and telephone lines.

### Human Capital Index:

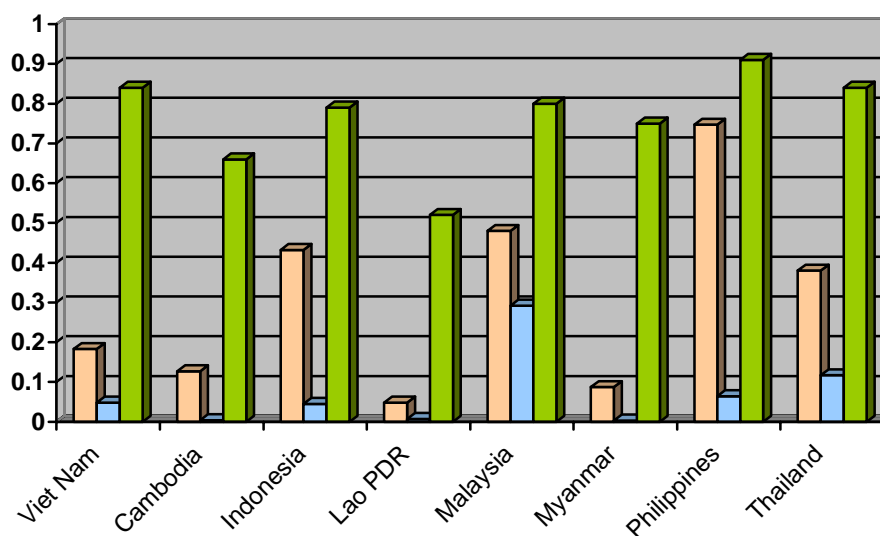
A composite of the adult literacy rate and the combined primary, secondary and tertiary gross enrolment ratio, with two thirds of the weight given to adult literacy and one third to the gross enrolment ratio.

### e-Government Readiness Index



Source: HUnited Nations – World Public Sector Report 2003H

### Web Measure Index Telecom. Infrastructure Index Human Capital Index



Source: HUnited Nations – World Public Sector Report 2003H

**e-Participation Index:**

Refers to the willingness, on the part of the government, to use ICT to provide high quality information (explicit knowledge) and effective communication tools for the specific purpose of empowering people for able participation in consultations and decision-making both in their capacity as consumers of public services and as citizens.

**e-information:**

The government websites offer information on policies and programs, budgets, laws and regulations, and other briefs of key public interest. Tools for disseminating of information exist for timely access and use of public information, including web forums, e-mail lists, newsgroups and chat rooms.

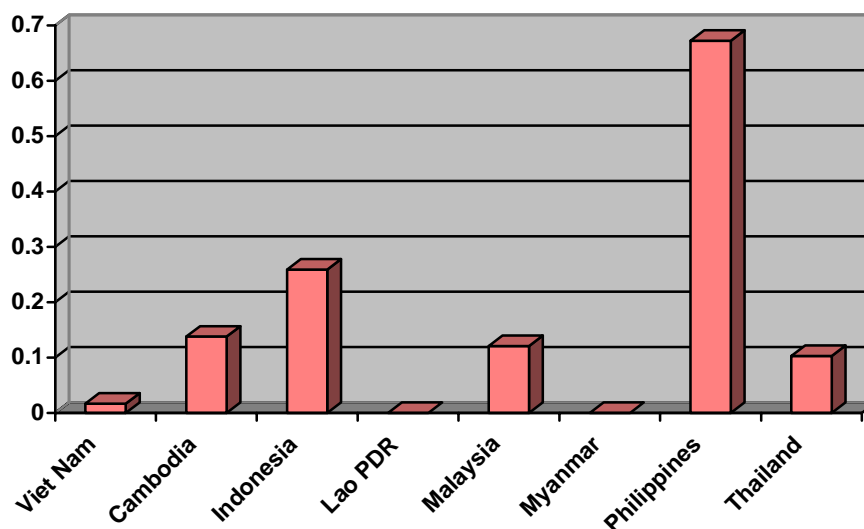
**e-decision making:**

The government indicates that it will take citizens input into account in decision making and provides actual feedback on the outcome of specific issues.

**e-consultation:**

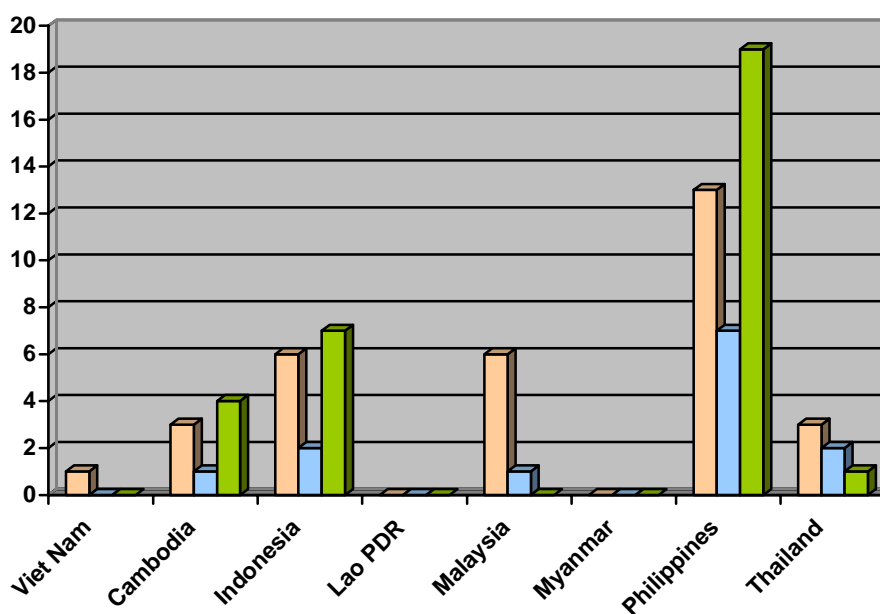
The government website explains e-consultation mechanisms and tools. It offers a choice of public policy topics online for discussion with real time and archived access to audios and videos of public meetings. The government encourages citizens to participate in discussions.

**e-Participation Index**



Source: HUnited Nations – World Public Sector Report 2003H

**e-information e-decision making e-consultation**



Source: HUnited Nations – World Public Sector Report 2003H

## 7. Links

| 7.1 National sites          |   |
|-----------------------------|---|
| Authority                   | Topic   |
| National Assembly           | <a href="http://www.na.gov.vn/">http://www.na.gov.vn/</a>     |
| Ministry of Finance         | <a href="http://www.mof.gov.vn">http://www.mof.gov.vn</a>     |
| Ministry of Foreign Affairs | <a href="http://www.mofa.gov.vn/">http://www.mofa.gov.vn/</a> |

| 7.2 Miscellaneous sites                     |   |
|---|---|
| Institution                                 | Topic   |
| Asian Development Bank (ADB)                | <a href="http://www.adb.org/VietNam/default.asp">http://www.adb.org/VietNam/default.asp</a>                                     |
| AusAID                                      | <a href="http://www.ausaid.gov.au/">http://www.ausaid.gov.au/</a>   |
| European Union (EU)                         | <a href="http://europa.eu.int/comm/external_relations/vietnam/...">http://europa.eu.int/comm/external_relations/vietnam/...</a> |
| United Nations Development Programme (UNDP) | <a href="http://www.undp.org.vn/">http://www.undp.org.vn/</a>   |
| UNDP - Public Administration Reform         | <a href="http://www.undp.org.vn/themes/governance/par/">http://www.undp.org.vn/themes/governance/par/</a>                       |
| World Bank (WB)                             | <a href="http://www.worldbank.org/vn">http://www.worldbank.org/vn</a>   |
|   |   |
| Vietnam Law Online                          | <a href="http://www.vitinfo.com/vnlaws/English/">http://www.vitinfo.com/vnlaws/English/</a>                                     |