

## Summary of Terminal Evaluation

<b>1. Outline of the Project</b>	
<b>Country:</b> The Socialist Republic of Vietnam	<b>Project Title:</b> The Project on Capacity Development for Urban Water Supply Utilities in the Central Region
<b>Issue/Sector:</b> Water Resources	<b>Cooperation Scheme:</b> Technical Cooperation
<b>Division in Charge:</b> Water Resources and Disaster Management Group, Global Environment Dept.	<b>Total Cost:</b> 244,768 (thousand Yen)
<b>Period of Cooperation:</b> June 2010 – June 2013 (3 years)	<b>Partner Country's Implementing Organization:</b> The Ministry of Construction (MOC) (as an executing organization) The Training Center for Water Sector in the Central Region (TC) The Construction and Water Supply Company of Thua Thien Hue Province (HUEWACO)
	<b>Supporting Organization in Japan:</b> Ministry of Health, Labour and Welfare, Yokohama Waterworks Bureau
<p><b>1-1. Background of the Project</b></p> <p>The Socialist Republic of Vietnam (hereinafter referred to as “Vietnam”) faces a significant challenge of urban environment management including issues of potable and waste water management due to rapid economic development. Most of the Water Supply Companies (WSCs) could not stably provide sufficient water supply services due to the low coverage of water supply system in urban areas (69%), the high Non-Revenue Water (NRW) rate (33% at the national average), and insufficient water quality management. Setting “supply of safe water” as a priority area, the Vietnamese government is striving for strengthening a human resource development system while maintaining water supply facilities. The Training Center for Water and Environment (of the College of Urban Works Construction, CNEE) in Hanoi City (northern region) and the Water Sector Training Center (of the College of Construction No. 2, WSTC) in Ho Chi Minh City (southern region) have trained staff of 68 WSCs nationwide. However, the capacity development of WSCs in the Central Region remained as one of the urgent issues to supply safe water. Accordingly, in November 2009, establishment of the training center (Training Center for Water Sector in the Central Region) in the Thua Thien Hue Province (TC) was determined by the government in order to provide effective training programs for WSCs in the Central Region.</p> <p>Targeting HUEWACO, the JICA's previous technical cooperation project, “the Project on Human Resource Development for Water Sector in the Middle Region of Vietnam” (2007-2009) strengthened the management and operational capacity in supply of safe water, developed “Water Safety Plan” of HUEWACO, and published the Vietnam's first declaration of safe drinking water. In addition, HUEWACO presents high management capacity in operation and maintenance of water supply facilities (water supply coverage is 98% and the NRW rate is 14%), playing as a model WSC for WSCs in the region.</p> <p>Given the background, the Vietnamese government and the Japanese government agreed to initiate the Project to aim at developing a framework for an effective capacity development of the 18 WSCs in the Central Region through 3 pillars: (1) strengthening training capacity of the newly established Training Center for Water Sector in the Central Region (TC); (2) transferring HUEWACO's technical knowledge and experiences to other WSCs in the region; and (3) enhancing network among relevant organizations (MOC, WSCs, TC, relevant organizations including CUWC, Vietnam Water Supply and Sewerage Association (VWSA), and Provincial People's Committee (PPC)). The Record of Discussions (R/D) was signed between MOC and JICA, and the Project was commenced in June 2010 for three years.</p> <p><b>1-2. Project Overview</b></p> <p>(1) Super Goal: Access to safe water is improved in the Central Region.</p> <p>(2) Overall Goal of the Project: Capacity of the WSCs for provision of safe water in the Central Region is strengthened.</p> <p>(3) Project Purpose: Capacity development of the WSCs in the Central Region, which is oriented to Water Safety Plan (WSP), is initiated through strengthened collaboration of the relevant organizations. *Note: “The relevant organizations” include MOC, WSCs, training organizations, VWSA) and PPC.</p> <p>(4) Outputs</p>	

<p>1) Awareness of top management of WSCs regarding human resource management oriented to WSP is raised through exchange of views and experiences.</p> <p>2) Short-term retraining courses targeting the existing staff of the WSCs, which are oriented to WSP, become available at the newly established Training Center.</p> <p>3) Operational handbooks for WSCs (water treatment, distribution management, O&amp;M of facilities, human resource management, and customer services) are promoted to the pilot WSCs through sharing of experiences and know-hows with HUEWACO.</p> <p>4) The Project is managed and coordinated properly.</p> <p>(5) Inputs</p> <p><u>Japanese side:</u></p> <ul style="list-style-type: none"> <li>- Japanese Experts: A total of 4 long-term Experts (a total of 97.1 M/M) and 21 short-term Experts (a total of 60.6 M/M)</li> <li>- Machinery and Equipment: USD 500,281 including those procured in Japan and in Vietnam</li> <li>- C/P Training in Japan: A total of 32 C/Ps</li> <li>- Shared Cost: USD 202,439 (June 2010 – December 2012)</li> </ul> <p><u>Vietnamese Side :</u></p> <ul style="list-style-type: none"> <li>- C/Ps: A total of 29 officers and staff members</li> <li>- Land and Facilities: 2 buildings for TC with a training yard, facilities for training, etc.</li> <li>- Running Expenses: per diem for C/Ps, office expenses, and running costs regarding the organization of workshops, etc.</li> </ul>		
<b>2. Evaluation Team</b>		
<b>Members of Evaluation Team (Japanese side)</b>	[Leader]	Mr. Hideo MIYAMOTO, Senior Advisor to the Director General, Global Environment Dept., JICA
	[Cooperation Planning]	Mr. Tomonori WAKABAYASHI, Global Environment Dept., JICA
	[Evaluation Analysis]	Mr. Nobuhisa IWASE, Partner, IMG Inc.
<b>(Vietnamese side)</b>	Mr. Ung Quoc Dung	Technology, Science and Information Department, Vietnam Water Supply and Sewerage Association (VWSA)
<b>Evaluation Period</b>	January 9 – February 1, 2013	<b>Type of Evaluation :</b> Terminal Evaluation
<b>3. Results of Evaluation</b>		
1. Summary of Evaluation Results		
(1) Relevance		
<p>Vietnam determines the improvement of water supply services as its priority area, as described in such government policy documents as the “Ten-Year Socio-Economic Development Strategy 2011-2020”, the “Five-Year Socio-Economic Development Plan (SEDP) 2011-2015” and the “Orientation for Development of Water Supply for the Urban Area until 2025”.</p> <p>WSCs are state-owned companies responsible for operating and maintaining water supply facilities and providing clean and safe water to urban areas of each respective province. MOC oversees 68 WSCs nationwide including the targeted 18 WSCs of the Project. While the poverty rate in the Central Region is high comparing to those in North and South, many WSCs in the region are small- and medium-sized companies with the needs of human resource development as well as the improvement of water supply management system. At the outset of the Project, the Central Region did not have the core training institution for the water sector. While the Vietnamese government, MOC, decided to establish a new training center in the Thua Thien Hue province for water sector engineers, technicians and staff, the above-mentioned situations created a strong need for capacity development of officers and technical staff at the targeted 18 WSCs. In order to realize an effective capacity development of the WSCs in the Central Region, (1) Capacity of TC, newly established in Hue, was required to be strengthened, (2) HUEWACO whose capacity was enhanced by the JICA’s previous project and seen as a model for other 17 WSCs in the Region, was asked to further strengthen its capacity and to diffuse its developed capacity and experiences to other WSCs, and (3) Effective cooperation and collaboration among the relevant organizations including TC and HUEWACO was required to be established and strengthened. Therefore, the Project Purpose is in line with the needs of the target group and end beneficiaries.</p>		

Japan's Country Assistance Program for Vietnam sets "environmental conservation" as one of the four priority areas, focusing on the construction of water supply facilities and the improvement of water quality management. The Project tries to effectively use the successful practices and lessons learned accumulated in the previous project throughout the region by strengthening cooperation among relevant organizations in the sector, which brings about a good relevance to the Japanese technological and empirical advantages.

Based on the above-mentioned perspective, the overall relevance of the Project is evaluated to be high.

#### (2) Effectiveness

Good level of achievement of the closely linked three Outputs has generated the sufficient level of achievement of the Project Purpose at the time of the Terminal Evaluation. Overall capacity of WSCs, particularly of the 5 pilot WSCs, has been improved considering the levels of WSC staff's participation in workshops and training courses concerning WSP. Through the implementation of the Project activities, the expected collaboration of the relevant organizations has been strengthened. The prospect of the achievement of the Project Purpose is evaluated to be high, and therefore, the overall effectiveness of the Project is evaluated to be high.

#### (3) Efficiency

Overall, it is evaluated that appropriate inputs of Experts, C/Ps, equipment and facilities, and operating expenses by the both sides are being efficiently converted to generate expected Outputs. Experts have provided effective technical transfer with their good accumulation of knowledge and experiences. The provision of facilities by the Vietnamese side and procurement of equipment by the Japanese side made implementation of practical training available. CUWC rehabilitated the buildings of its Hue Branch for the Project, using its own budget, and prepared lecture room, workrooms, laboratory and a training yard to be used as TC. HUEWACO opened its facilities and offices for the training courses organized by TC, which enhanced the practicality and effectiveness of the training and were highly appreciated by both WSCs' trainees and TC's trainers.

Although there were some delays in the procurement of equipment, it is evaluated that appropriate types and quantity of equipment have been selected and procured, which led to a provision of effective and practical training. Therefore, overall efficiency is evaluated to be relatively high.

#### (4) Impact

The Project has built a foundation for the 17 WSCs to complete the WSP. While all of the 5 pilot WSCs are expected to finalize a draft WSP through the Project, it is still unclear to what extent each WSC is capable of implementing WSP and supplying quality water in a stable manner. The Project developed and increased effective communication and collaboration among the 18 WSCs, MOC, CUWC, TC, HUEWACO and relevant organizations. Awareness of importance toward working in cooperation with other organizations has been promoted, which brought a new form of inter-organizational relationship. If the institutional mechanism is assured, the prospect of achieving the Overall Goal is evaluated to be relatively high.

#### (5) Sustainability

At the time of the Terminal Evaluation, the Project has built up a solid foundation to ensure lasting effects of the Project achievement, and is evaluated to have a relatively high sustainability. Through the Project implementation, relevant organizations have participated in active discussions among each other at workshops and study tours, which established and increased communication and collaboration among stakeholders. The organizational sustainability of the target group of the Project, the 18 WSCs in the Central Region, is evaluated to be rather solid, because all the staff members including Director himself increased the awareness of importance of Human Resource Development (HRD) and of efficient organizational mechanism to comply with WSP. The newly established TC's lecturers have also greatly improved their technical capability by the Project, while TC seems to be still fragile from the point of view of an organizational management. Financial aspects seem to be the most difficult one in terms of ensuring the sustainability of the Project. It is a fact that not all the 18 WSCs currently have enough financial resources for not only for HRD but also for building and rehabilitating the necessary facility and equipment to provide safe and stable water supply.

In order to ensure and increase the sustainability, it is important for MOC to take a leading role to establish a solid institutional mechanism for continuous capacity development of the 18 WSCs and take a strong leadership and coordination among relevant organizations.

### 2. Contributing and Impeding Factors

#### (1) Factors that contributed to the achievement of the Project Purpose

The followings are contributing factors of the Project.

a. C/Ps' ownership and commitment

All the Project participants demonstrated a high level of ownership and commitment to the Project by willingly adapt new ideas including cooperation and collaboration between HUEWACO and TC, and participatory training methods at TC. With a good support and coordination by the Experts, this has resulted in smooth implementation of the Project and increased the prospect of achieving the Project Purpose.

b. Application of interactive training methods

The Project adopted participatory discussions and interactive training methods to all the workshops, study tours and retraining courses to increase the awareness of participants and training effectiveness. Participatory discussions enabled trainees to reflect on and share the status of his/her own WSC with other participants, which became a sound source of information for TC's lecturers to grasp real situations of WSCs and further improve their training courses.

c. Reinforcement of strengths and complement of weaknesses

The Project promoted for TC and HUEWACO to carry out activities that utilize each other's strengths and complement weaknesses. While TC's lecturers designed practical training courses using the information collected through facility and site visits to HUEWACO and the 5 pilot WSCs, HUEWACO staff shared their technical experiences and knowledge with TC through meetings, trainings, workshops and TOT.

d. Effective cooperation model between TC and WSC (HUEWACO)

As a result of commitment and considerable efforts by both sides with a good assistance by Experts, TC and HUEWACO established and implemented an effective cooperation and collaboration model that can benefit both parties. The cooperation model between TC and WSC (HUEWACO) is the first-ever in the water sector in Vietnam and serves as a basic and important model for further development of an effective collaborative relationship between other WSCs and such other training organizations in Hanoi (CNEE) and in Ho Chi Minh City (WSTC).

e. Utilization of good practices from the previous technical cooperation project<sup>2</sup>

The Project has tried to successfully utilize the capacity and good practices developed by the previous technical cooperation project to HUEWACO for capacity development of the 18 WSCs. HUEWACO's operational handbooks strengthened by the previous project became models, which were applied to the 5 pilot WSCs with improvement by reflecting each WSC's situations.

f. Provision of appropriate inputs

Although there were some delays, both the Vietnamese and Japanese sides provided appropriate inputs including human resources, facilities, equipment, budget and event venues. Appropriate inputs and above-mentioned C/P s' high level of commitment generated a synergistic effect and effectively converted to the achievement of Outputs.

g. Support of Yokohama Waterworks Bureau

Yokohama Waterworks Bureau (YWWB), a Japanese water supply service provider with various experiences in international technical cooperation, provided most of the Japanese Experts. It not only continuously dispatched a number of long-term and short-term Experts covering diverse technical and administrative fields but also prepared an organizational mechanism at the headquarters to support the Project.

(2) Factors that impeded the achievement of the Project Purpose

The following is a hindering factor, although it did not put critical negative impact to the achievement of the Project Purpose.

a. Delayed procurement of equipment

The procurement and the installation of equipment took longer than initially planned. In some cases the quality of equipment was below the required level of specifications, which resulted in further delay of equipment installation as well as of start of retraining courses. The delay of starting training courses cut back the duration of training implementation using equipment, which decreased opportunities for TC's lecturers and training participants to provide and receive effective practical training.

<sup>2</sup> The previous technical cooperation project refers to "The Project on Human Resource Development for Water Sector in the Middle Region of Vietnam." (2007-2009)

### 3. Conclusion

The Project has made a steadfast progress in awareness raising on the importance of capacity development among the 18 WSCs in the Central Region in WSP-oriented operation and management. As a foundation of WSCs' continuous capacity development, TC's technical capacity has been strengthened by the Project and TC has implemented effective retraining courses in cooperation with HUEWACO utilizing its human and technical resources. The Project succeeded in establishing a new cooperation model between WSC (HUEWACO) and TC, which will become a model for other WSCs and training organizations to follow. The Project also established a solid foundation for the implementation of the HRD plan formulated by MOC. In order to surely achieve the Project Purpose by the end of the Project much efforts to carry out the Project activities are essential with collaboration among C/Ps, Experts and relevant organizations. In particular, leadership, commitment and effective coordination by MOC is essential in order to increase the impact and sustainability of the Project.

Recognizing the achievement of the Project and the above-mentioned evaluation, the Project should be terminated in June 2013, as scheduled.

### 4. Recommendations

The followings are recommended in order to ensure the achievement of the Project Purpose by the end of the Project period and to increase the impact and the sustainability of the Project:

#### I. Recommendations by the End of the Project Period

##### (1) Formulation of a HRD Plan

In order to build a consensus on strategy of WSCs' capacity development, a draft HRD plan should be surely formulated by MOC until the end of the Project period. The plan should entail roles and responsibilities of relevant organizations, budget allocation, a structure of cooperation among organizations and a long-term vision of TC. Specifically, the HRD plan should cover the following issues:

- Cooperation model between HUEWACO and TC (as described in II. (2))
- Support of MOC and CUWC for TC (as described in II. (3))
- Collaboration among TC, CNEE and WSTC (as described in II. (5))

##### (2) Development of TC's Annual Plan

In order to increase organizational sustainability, it is necessary for TC to strengthen its own capacity development efforts for organizational management by "learning by doing". It is recommended for TC to formulate an integrated Annual Plan, which includes both the training plan and marketing plan. CUWC's resources are expected to be utilized for the formulation of TC's Annual Plan.

#### II. Recommendations after the Project Completion

##### (1) Monitoring of formulation and application of operational handbooks

Through the Project, operational handbooks in 5 fields were developed and started to be adopted into daily operations of the 5 pilot WSCs. Twelve (12) WSCs should strengthen their efforts to develop operational handbooks. It is recommended that MOC and such relevant organizations as VWSA coordinate and monitor the formulation, application and revision of operational handbooks at all the WSCs in the Central Region.

##### (2) Continuation of a cooperation model of HUEWACO and TC, and its expansion to other areas

In order to maintain the cooperation model of HUEWACO and TC established by the Project, it is recommended that MOC clearly describe the importance of the cooperation between TC and WSCs in the HRD plan. TC's cooperation with HUEWACO should be continued and expanded to pilot WSCs. This model implemented in Hue should be applied to such other areas as Hanoi and Ho Chi Minh City.

##### (3) Continuous support of MOC and CUWC for TC

Since the newly established TC is still fragile as an organization, continuous support of MOC and CUWC for TC is necessary. It is recommended that CUWC provide support for TC in management and finance.

##### (4) Enhancement of TC's Financial Sustainability

Enhancing the TC's financial sustainability is important. It is recommended that TC strive toward seeking the opportunities to increase its own revenue in such means as charging tuition fees for training courses and

expanding revenue sources. With careful analysis of and consideration for WSCs' actual needs as well as consultations with MOC and CUWC, TC should formulate and update concrete financial plan.

(5) Collaboration among TC, CNEE and WSTC through joint training center meeting

In order to continue collaboration initiated by the Project, joint training center meeting should be led by MOC and regularly organized as a mechanism to design effective training courses and carry out the Training Centers-WSCs cooperation model. In order to continue the collaboration among 3 training organizations, significance and potential benefits of collaboration among TC, CNEE and WSTC should be discussed in the HRD plan.