

**act:onaid**  
vietnam



**ANNUAL REPORT**  
**2008**

End poverty. Together. End poverty. Together. End poverty. Together. End poverty. Together. End poverty. Together.



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# Acronyms

AAI	ActionAid International
AAV	ActionAid Vietnam
ALPS	Accountability, Learning and Planning System
CEDAW	Convention on the Elimination of Discrimination against Women
CIFPEN	Civil Society Inclusion in Food Security & Poverty Elimination Network
COMMIT	Coordinated Mekong Ministerial Initiative against Trafficking
CLC	Community Learning Centre
CSAGA	Center for Studies and Applied Sciences in Gender-Family- Women and Adolescents
CSO	Civil Society Organization
CSP	Country Strategy Paper
CSR	Corporate Social Responsibility
CWD	Center for Women and Development
DA/DI	Development Area/Development Initiative
DIPECHO	Disaster Preparedness European Commission's Humanitarian Aid
DOVIPNET	Domestic Violence Network
ELBAG	Economic Literacy and Accountability Government
FDI	Foreign Direct Investment
FHI	Family Health International
GAP	Gender Alliances

GMS	Greater Mekong Sub Region
GDP	Gross Domestic Product
GENCOMNET	Network for Gender and Community Development
GMF	Global Monitoring Framework
HRD	Human Resource Development
HROD	Human Resources and Organisational Development
IASL	Impact Assessment and Shared Learning
INGOs	International Non-Governmental Organisations
MDG	Millennium Development Goals
MOET	Ministry of Education and Training
MOIC	Ministry of Industry and Commerce
ODA	Official Development Assistance
PLHIVs	People living with HIVs
PRRP	Participatory Review and Reflection Process
RBA	Rights-Based Approach
REFLECT	Regenerated Freirean Literacy through Empowering Community Techniques
STAR	Stepping Stones and Reflect
UNDP	United Nations Development Program
WB	World Bank
WTO	World Trade Organisation

## Country Director's Note

It is my great pleasure to bring you the Annual Report for the year 2008! At the outset let me express my sincere appreciation for your constant support to ActionAid Vietnam for carrying out the initiatives in 2008 and present to you the key highlights of our achievements and learning from the on going processes at each level.

Reflecting on the fourth Country Strategy Paper of AAV (2006 -2010), the year 2008 has been also marked as the mid-term of the strategy period and the review report has been incorporated in this annual report. The program has been more focused on the empowerment of women and youth as the core constituent of the strategy. During this year, ActionAid Vietnam has successfully launched an innovative program called "Investing in younger generation" through a unique in partnership with University of LABOUR which enabled the youth to experience development process by living with the people in a village. In the process they have

also learnt how to promote local selfgovernance by ensuring equity, participation and transparency which allows committed youngsters to demonstrate a proper participatory planning process that could be further supported by local people and adopted by the local government.

During this period, Vietnam has stood as an example of a development model whilst trying to ensure the benefits of its vibrant market economy across the society to keep up the socialist orientation. However, the aim to reduce the rate of poverty in the years to come is still challenging due to the increasing gap between the rich and the poor. With the excessive inflation in the market the price rise has impacted the poor the most. AAV team has identified the issues through the Post WTO Poverty Monitoring process and has instituted an action research across the three regions to monitor and suggest policy on social security measures to overcome the crisis of food for the poor. This has been furthered

during the recent ASEAN People's Forum held in Thailand.

Participation of the most disadvantaged groups, particularly women in to development process has been improved with the establishment and operation of nearly 200 Reflect circles. The application of Reflect has been expanded further and become more sustainable. Over 100 community development groups originally evolved from Reflect circles have been established with local facilitators playing active roles and linkages with local government authorities and professional agencies strengthened significantly. The impact of Reflect has not only brought about impact to the disadvantaged groups within AAV DAs/DIs but also across the country.

Further, with the assistance from AAV a 24-hour hotline has been also instituted to provide information for potential migrants and psychosocial counseling services for returnees of cross



boarder trafficking. This free-of-charge hotline covers all over the country. Also number of cases that sought support for re-integration after returning has been referred to organizations that would provide the most appropriate form of assistance to support the rehabilitation and reintegration of the victims into their communities once again. The process has been instituted through a project that ended in December 2008 with a successful mobilization of a learning platform in South East Asia.

The Directory of organizations working in the field of HIV/AIDS was published as an attempt of HIV/AIDS Theme to facilitate the cooperation of the network

in Ho Chi Minh City. So far, this is the city with the highest number of reported HIV cases in Vietnam. People living with HIV/AIDS now have a good source of information for realizing their right to access to services and care. Equally important, AAV has now initiated the process to facilitate the local initiative on linking the local network to the Asia Pacific Alliance as an advocacy tool by facilitating the process to establish the VPACHA as a network of the non-state actors' to fight against the epidemic in Vietnam.

While looking back, it has been a remarkable phase for us to see the overall impact of the stated program on the ground. The stated highlights are only glimpses to our

key engagements in Vietnam and I would like to once again thank you for your continuous trust and contribution to our work. I would also like to extend my sincere appreciation to all our donors DANIDA, EC, One Foundation, ECHO/DIPECHO and others for their support. Together we are bringing a better future to poor and excluded people in Vietnam.

Yours sincerely,

Phan Van Ngoc  
Country Director  
ActionAid Vietnam



## **Section 1: Country Overview**



Vietnam's economy had performed exceptionally well in the past 20 years. Vietnam's macro-economic performance has been remarkably strong in the last decade with an average GDP growth rate of 7.6 per cent during the past half of the decade. Food production rose dramatically, taking Vietnam from a net rice importer to the world's second largest rice exporter and become an international player in export of cash crops.

The recent Human Development Report makes a special note on Vietnam's progress, with the quality of life much higher now than ever before. At the root of these gains has been an impressive drop in poverty. Although rural poverty is still much higher than urban poverty, the drop in rural poverty over the past ten years has been steeper than the drop in urban poverty. Poverty remains much higher among the ethnic minorities than among the Kinh and Chinese majority. The Northwest, the Central Highlands and the North Central Coast remain much poorer than the rest of the country. Most of the poor live in rural areas, and it is an encouraging trend that rural poverty continues to decline, albeit at a slower pace than before. On the other hand, urban poverty rates appear to have stagnated, and could even be for the first time on an upward trend<sup>1</sup>.

In the post WTO accession period, the country's well-being is exposed to the vulnerability in the international market and its fluctuations. Inspired by the surging economy and the steep drop in poverty,

international donors gave billions of dollars to Vietnam between 1997 and 2007. During this period, evidences have shown that the ODA goes to infrastructure projects which have clearly become the top priority of big international donors. As a result, construction of large scale hydro power plant and irrigation dams have required thousands of households to leave their homes and land to resettle in strange areas, unknown for their traditional livelihood pattern, its life style and social relationships. The accession to WTO provides, on one hand, good income generating opportunities for some groups and at the same time traditional jobs for another group is crowded out or fast disappearing.

The ongoing global economic recession has taken its root in the US unsound and mismanagement of its financial system. Export growth rate is currently believed to be less than 5% in stead of the expected 13% before the recession. GDP in 2008 has only reached a level of 6.5% in comparison with the rate of 8.2% in 2007. During the months between March and April, the price of rice in international market was as high as about 900-1200 USD/ton because of global rice shortage. Under these circumstances, MOIC (Ministry of Industry and Commerce) advised the government to stop rice export to secure domestic food demand and as a result millions of farmers have lost the unique chance for an abnormal gain. Additionally, due to this economic recession countries that demand for labor import must cut down its labor force needed. The government had announced a stimulus package of 6 billions USD to mitigate the situation.

1 - Vietnam Development Report 2008

## 1.1 Opportunities and Challenges

**Social disparities:** The Gini Coefficient Index for Vietnam has remained relatively flat between 1993 and 2002 as there was relative poverty that existed. Growth in cities was the most equitable in the country, with uneven distribution of expenditures concentrated in the Northern Uplands and Central Highlands. The most obvious group left out of Vietnam's recent success has been the country's ethnic minorities. Poverty among the Kinh fell by more than 50% between 1993 and 2002 whereas poverty among ethnic minorities dropped by 19% during this period. Although they make up 14 per cent of the population, ethnic minorities make up 30 per cent of the poor.

**Migration and urbanization:** Around 70 per cent of the population lives in rural areas, down from around 80 per cent 20 years ago. Of the 3.5 million people thought to be living in Hanoi, for example, only 2.5 million are registered inhabitants, according to city officials. Furthermore, over half-a-million Hanoi people do not have a stable residence; most of them are migrant workers, seasonal laborers and university students. The situation is likely to be similar in Ho Chi Minh City and some other industrial centers such as Hai Phong, Da Nang etc. The urbanisation will follow the same trend as it has in developed countries in the region, taking Vietnam from a predominately rural economy to an urbanised economy in next twenty years.

**Disasters and emergencies:** Vietnam has a long and exposed coastline; large rivers and mountainous terrain that make it one of the ten most disaster-prone countries in the world. Typhoons, annual floods and flash floods in the Northwest and Central Highlands caused loss of thousands of human lives and billions of dollars in material damage. Approximately, 1.2 million people are requiring disaster relief every year and these disasters often push these families into poverty and forcing them to migrate. Climate change and Viet Nam's vulnerability to its effects were manifested in the recent studies conducted by UN and other agencies during late 2007 and 2008. Considerable flooding and storms in 2008 affected millions of people, leaving over 550 people dead and 12.000 billions VND of damage. Moreover, Climate change has now become a major challenge primarily due to it's impacts on sustainable growth, livelihoods and therefore, poverty eradication efforts in vulnerable areas need a focused adaptation and mitigation efforts.

**People affected by HIV/AIDS:** The Government of Vietnam has undertaken many important measures and efforts to reduce HIV transmission, as well as to mitigate the spread of AIDS for people living with HIV. It is estimated that official statistical figure of

people affected by HIV/AIDS accounts for only 30-35% of the real number. At present, it seems that number of women in general and pregnant women in particularly affected by HIV/AIDS has increased, while men are living with HIV/AIDS is on a downward trend in number.

**People with disability:** According to MOLISA, by the early 2000s, the Vietnamese population included approximately 5.3 million people with disabilities, which accounted for 6.3% of the total population. Out of them about 1.5 million people were classified as heavily disabled. Among them, 87% lived in rural areas, while 13% were urban residents. In general wage levels for people with disabilities were often below the legal minimum wage. Most people were employed in agricultural sector where their wages were depressed<sup>2</sup> due to the impact of price rise.

**Engagement of international non-governmental organisations (INGOs):** According to PACCOM, more than 600 INGOs have been registered and operating in all 64 provinces and centrally administered cities in Vietnam. Some donors have indicated that they are starting to phase out or reduce their

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2 - People with disabilities in Vietnam, Findings from a social survey, Institute for Social Development Studies 2007.



presence in Viet Nam due to its rapid socio-economic achievements. This may create additional opportunities for the INGOs to further increase its engagement with the Government and facilitate space for civil society around the achievement of poverty reduction and social development.

**Anti-inflation policy:** The relatively bad macroeconomic performance during 2006-2007, has brought about a high and un-reversed inflation. The population of Vietnam is predominantly rural and the 73 percent of people who live in rural areas make up 94 percent of all poor people. Those who grow rice are 78 percent of the poor. One fifth of all farmers are poor and 23 percent of rice farmers are poor. Thus, the double digit-inflation has negatively made lives of poor people more expensive (GSO). The Government of Vietnam has suddenly, though late, undertaken a set of measures designed to dampen inflationary pressures.

**Fight against Corruption:** Transparency International has ranked Vietnam to be among the 20 worst corrupt countries. Both the communist party and the government have set up their anti-corruption agencies under the Government Inspectorate. The government's Inspectorate General Office has recently developed 'A national anti-corruption strategy to 2020'. Without an open engagement with the civil society and their meaningful participation and a relatively independent institution in this anti-corruption fight, it seems to be a decoratively lasting project.

**Social protection for poor:** Households face a

range of risks and shocks like natural disasters, crop failure, serious health conditions and the death of a breadwinner, market fluctuations or longevity beyond resources are among them, some of which may have devastating effects on their livelihoods. Although, MOLISA has requested the government to approve its proposal on a recalibration of the poverty threshold, the Government social protection policies and instruments must be in place and adjusted in light of increased costs of living in terms of food security and basic services including insurance, especially for the poor and excluded groups. In light of the emergencies, a food bank could be an alternative to ensure food security for the most vulnerable groups of people in emergency.

**In the middle of November 2008, MOLISA presented to the government a new proposal for the post-National program 135 on Rapid and Sustainable Poverty Reduction targeting 61 poorest districts of 20 provinces across the country most of which are mountainous districts with ethnic minority groups and where more than half of total households are classified as very poor (3,5 times poorer than national poverty standard). As the objective of program 135 was decided by province and district governments, many of communes, the program's available resources didn't meet communes' need. Consequently, the program didn't attract local people's concern. The Post-national 135 will therefore, be decentralised to commune level by setting objectives and thereafter resources allocation is made.**



**Section 2: ActionAid Vietnam  
Program Overview**

The year 2008 also marked as the mid term for the CSP IV and taking this as an opportunity AAV team also conducted a review to assess the strategic priorities and strategies for the five-year CSP. Based on the review process, all functions of AAV have currently carried out the review which is focused more on the effectiveness and efficiency of the Program and has touched upon all most of all the issues concerning to DAs and themes/ program activities, CS work, financial management, partnership, etc. are discussed during the review on program which focused on (i) Program quality; (ii) Implementation strategy; (iii) Management of partners and partnership.

## 2.1 Key Focus of the Programs

Based on CSP IV, the relevance of the program based on the current interventions of each DAs has been considered. In addition, based on the field report, the priorities of the CSP have been reflected well through the program that are addressing the needs and rights of the poor and excluded groups with the following details.

- Apart from the rural poorest areas of the country, AAV has also initiated its work to include urban areas under DA initiatives.
- In the first part of CSP IV, program has been implemented across all the DAs with initial changes in condition and position of the poor and excluded groups.
- All our program interventions have been outlined with relevance to CSP priorities and against the strategy with all objectives achieving more than 50% to 80% realization of the plan.
- Target group of the program has been on the poor and excluded groups including women and children, ethnic minorities, poor farmers, People Living with HIV/AIDS (PLWHA).
- Currently, this commitment has been performed by the primary partners, and the groups have also participated well in our program, particularly in DA5, DI101, DA8 and DA7 with emphasis on the STAR Initiatives.

In order to ensure the quality of program, the review process also reflected upon the need to analyse the coverage as well as the content of the program. In practice all most of all DAs have developed their program that link to all 5 themes although all DAs were suggested to focus its work on 2-3 themes which based on the issues prioritized by the rights holders. The main reasons are:

- (i) The needs of the communities;

- (ii) The diversify of communities in the DA,
- (iii) Logical link between relevant themes,
- (iv) New thematic initiatives facilitated collective proposals with other DAs
- (v) Scope for engaging networking and advocacy work at all level
- (vi) Addressing the emerging new issues in the communities and
- (vii) With request by sponsors/CS/ or IPD projects.

### **Looking back – Initial impact from program interventions**

- During the last year, the initiatives have sensitised the communities to curb the discrimination against PLWH. The effected people's ability has been improved through training.
- In DA 101A the trainees were equipped with knowledge to become trainer, communicator and facilitator. After the trainings they demonstrated huge improvement in terms of confidence and the capacity to communicate.
- The skills such as group work, communication, living with the community, circulation of capital to develop economy, report and proposal writing have contributed greatly to their self-perfection in support of their work and family.
- Mobilisation of community participation of all

groups including leaderships, local partners, beneficiaries, staffs is undertaken by the above mentioned groups' awareness to benefit them.

- The programme on providing alternative economy or livelihood options has created jobs for local people through different enterprises.
- Economic changes are not remarkable but livelihood models and revolving fund have significant impact on households' living conditions.
- Initiatives on enhancing skills in raising livestock's, operating small business and cultivating the types of crops suitable to local conditions and capacity are creating significant income.
- Internal relationship among the community has been further improved. They stand together with an aim to develop their community and largely be in support people participation and mobilization.
- Through the training, people have been able to coordinate and help each other in production and tie up to set the corporate models applicable to local varieties.
- Project staffs at both commune and district levels have chance to improve skills and social knowledge through training, and participatory approach.
- In Ha Tinh DA2, local officials have much

demonstrated their proven capacity/ability and knowledge, and with positive changes in managing their works.

- Participatory approach has helped improve the local officials' capacity in planning and deploying people participation at the community.
- Community development groups have also been piloted through extensive capacity building.
- Poor and excluded people proactively participate in project activities through different groups like women's clubs; issues on children's rights; food rights, law; and directly supported to help people develop their production scale, improved conditions at schools
- Wells and toilets construction in some areas and at primary school has helped raise people and children's awareness, and action toward environmental protection and hygienic issues

All staffs/individuals involving in DA/AAV have gained and developed more skills, social knowledge from professional experts and consultants.

- Project activities have met the needs of local people in such areas as: funding, training... and helped enhance their living standard.
- Advocacy at provincial level has gained some achievements: Dept. of Education & Training (DOET) agree to adopt the linking model

of Community Learning Centres (CLC) and community.

- Reflect classes and community development groups have become core groups in every activity of village, commune and the support from the project has brought about many good results
- Community Development groups, which were upgraded from Reflect classes, have shown its effect in creating an enabling environment and raising their responsibility toward the community
- Campaign and communication have raised women's awareness and position, and their voice in the society, ensuring gender equality

## 2.2 Challenges:

- Rights Based Approach has been introduced to staffs and local partners but there are still gaps particularly among partner organisations in understanding and to translating it into action. There is a great need for more training opportunities and exposures on RBA.
- There was a great need for documenting good and not so good programme initiatives and practices as well as lessons learnt around RBA for training purposes and the organisational memories/records as well.



- There should be a strategic framework for different forms of partnership that guides AAV to identify and to manage programme initiatives at each level, and ways to move forward.
- Mapping out themes that DAs should focus on in order to achieve the CSP through the thematic strategic plan and link between program at the grass-roots level with advocacy initiatives.
- Implementing activities by and through the link between community groups and commune development centres or CLCs.
- R2F and its direction and technical support to improve R2F work at ground in order to support or protect the poor under the context of economic integration, climate change and emergency.

## 2.3 Proposed future action:

In response to the rapid changing context and pressing issues recently emerged in the global economic and financial recessions, AAV should maintain its presence in the poorest regions both in rural and urban areas. At DA level, our work should continue to focus more on the communes where AAV has long-term perspectives to engage in the program as a means to achieve the larger goals of the CSP. There must be a partnership strategy for the best identification of partners with shared missions as well as improved capacity so as to ensure the best possible programme and lasting impact. In

order to ensure the quality of program work, AAV should focus on the followings:

- Continuing to improve the partners' capacity on (i) Rights Based Approach (ii) Planning, financial management, controlling reserve; (iii) CS work including reporting, monitoring and update.
- Continuing to, on the one hand, sensitization on partnership principles such as transparency, accountability, gender, participation. On the other hand, AAV's staffs, in particular POs also need to improve their knowledge, skills and attitude that required for development workers as well.
- Restructuring the program with more resources mobilization for communities;
- Advocacy at national level needs to link and come from the ground;
- M&E with clear guide and indicator and
- Thematic strategic plan will support for better planning & coordinating.

In the CSP, it was stated that AAV will continue to support the development of programmes in Lao PDR, however, due to the difficulty of fundraising as well as the agreement among the management team, we would have clearer steps for phasing out program in Lao PDR.



**Section 3: Key Program Highlights of 2008**

## 3.1 Story of Change: Investing in Younger Generation (Meeting immediate needs in a RBA)

The “Investing into younger generation” is an initiative introduced by ActionAid Vietnam in partnership with The Social and Labour University in Hanoi which began in April 2008. The fellowship program exposes future development workers of the social faculty of the university to face the challenges of rural development and addressing issues of local governance in disadvantaged localities. For months, the program enabled students to experience how to handle a process for change in a village and how to promote local self governance by ensuring equity, participation and transparency.

The program is conceptualized to sensitize the university students and involve them in working with local authorities for rural development to facilitate the realization of rights. It allows committed and responsible youngsters to experience for a brief period how a process for change could be managed. The process also demonstrates a

proper participatory planning and implementation process that could be further supported by local people and adopted by the local government.

As part of the processes facilitated by the internship program 32 students have reached out to five provinces of Lai Chau, Dien Bien, Cao Bang, Ha Giang, Ha Tinh) in the North and center of Vietnam to experienced “3 together”- living together, having meal together and working together with the community members to together identify their difficulties and to together mobilize resources to solve their own problems. Grassroots democracy model under the volunteerism spirit have mainstreamed the right based principles without mentioning any words of human rights or similar things rather than focusing more on people participation, transparency and accountability which has been considered as a successful local governance model in 2008.

### **A quiet and sleeping valley just in the past**

Mr. Hoang Van Phuc, 47 years old, Nung ethnic minority, a village head of Man Thuong Ha village, Ngoc Dong commune, Thong Nong district, Cao Bang-a northern mountainous province of Vietnam eagerly told us about changes in his village: “I was

selected by the people to be the village head for the past 7 years. It had become a normal practice that 44 households were living so quietly in this very isolated village. It was really difficult for me to mobilize them to participate in any village

activity or even joining the village meeting. That boring village atmosphere had totally changed when there were 3 young female students named Dung, Han and Hang who had helped me to fulfill my task of moving cattle out of the dwelling house. You might know that it was becoming a habit for many ethnic minority people that cattle are raised under the house on stilts which had caused lots of disadvantages like unsanitary, polluted air, eyes diseases, diarrhea, respiratory diseases... It took me for the past 5 years to change this living habit however, I failed to do so and it was regrettable that even when there was available resource under the communal budget by which each household was entitled to a financial supports of 600,000 VND (equivalent to 35 USD) to build animal shed, unfortunately, none of those 44 households had accessed to that resources.

At the end, within less than 2 months, 34 households had completed 34 animal sheds and the total cost for that was 36 million not including in kind contribution, of that 30 million in cash was contributed by village members. What I found and learnt from that 3 female students was the way that they were mobilizing people to participate in all processes of building animal shed. They went to every household to explain to them about the linkages of current diseases to unsanitary caused by the current habit of cattle living under the dwelling houses.

And more importantly, the way that the progressive activities reports including financial reports to people have been made publicity and easy to understand that help a lot in building up rapport and reducing unnecessary suspicious among the community members, especially with their own resources contribution. The quite atmosphere of my village had replaced by a very exciting and warmly working environment. And it seems to have a competition among all 34 households to be the first ones completing building the animal shed. It was notably that people were helping each others to do so, especially meaningful for the 2 elderly headed households. Now, Dung, Han and Hang



had been back to Hanoi to continue their studying, it was me there in Man Thuong Ha village to be repeatedly heard their names by the recalled memories of my village members.

I was invited by the Ngoc Dong communal Father Land Front to share about our experiences under the meeting of "Grass root Democracy Decree implementation at the village level". Instead of formal report on how I had rolled out the Grass root Democracy Ordinance in my village I had known how to talk about it and how to start from it without mentioning any common words like "People know, People Discuss, People Do and People Monitor"...

## Story of Change: Post- WTO Poverty monitoring

In January 2007, Viet Nam was admitted as the 150th member country of the WTO. It was widely recognized that this would bring many new opportunities to Vietnam, but would also pose many challenges, especially in ensuring that the full benefits of WTO membership are shared by the whole of Viet Nam's population, including poor and vulnerable people. In this context, and as organizations that have a long history of working to support the poorest and most marginalized groups in Viet Nam, ActionAid Viet Nam (AAV), AAV's partners, Oxfam Great Britain (OGB) and Oxfam Hong Kong (OHK) started the 'Post WTO' poverty monitoring initiative in early 2007. This initiative is based on following four factors:

- The challenges of implementing comprehensive economic liberalisation commitments
- Unknown poverty outcomes on vulnerable groups that need early detection along with policy and programmatic responses
- The current administrative monitoring is not effective enough and
- The desire to move from progress (inputs/outputs) monitoring to outcome monitoring by the government, donors and INGOs.

This initiative is intended as a longitudinal study of poverty outcomes, linked with changes in livelihoods and market access of vulnerable groups, in selected location which has made several added values to compare with



past and ongoing poverty monitoring efforts. It is basically included:

- Long-term commitment of Oxfam, AAV and key partners to move from "reactive" to "proactive" studies, from "one-off" to "ongoing" monitoring of poverty outcomes
- Development of an "early warning system", taking the inherent strengths of NGOs and local partners at grassroots level
- Involvement of key stakeholders at national and local levels for better understanding on poverty in the new context, therefore contributing to poverty reduction.

Over the past 2 years of implementation, 11 check points representing for 11 provinces and cities nation wide have been kept continuously monitored



once a year by partners with the technical supports from AAV and consultants. The target audiences at each location are:

- The poor groups, especially the poorest and most marginalized one.
- The ethnic minorities living in mountainous, remote areas.
- The 'new poor' groups who are in-migrants in cities or farmers losing their land due to industrialization and urbanization.
- The women and children.

The findings of this exercise have been targeted for the policy discussion at the national and regional levels. Specifically, the 2008 synthesis report has been well delivered at the Consultative Group Meeting and ASEAN forum held in October and December 2008 respectively. Besides, it has recently played as the important inputs for the Vietnam Academy for Social and Science (VASS) a Government body in facilitating policy dialogues with relevant Ministries and National Assembly.

The initial findings of the report on 2008 have been used to inform the highest level of the government including the PM office, economic committee of National Assembly and the other relevant stake holders. Following requests from these bodies, VASS, Oxfam and ActionAid Viet Nam, are now (April 2009) supporting follow-up research to investigate the impacts of the economic crisis on the poor.

CSP IV recognises that providing a voice to the poor in policy initiatives as well as programme design and implementation means a shift in resources towards priority areas, an effective way to tackle poverty. It remains mindful of achieving its objectives through partnerships with the poor and excluded people, the government, civil society, bilateral and multilateral development organisations, international organisations and the media. At the core of the strategies to address AAVs central thematic focus, namely, the Rights of Women and Girls, Rights to Food, Rights to Education, Rights to Life and Dignity in the Face of HIV/AIDS and Rights to Just and Democratic Governance . The plan in 2008 also highlighted the Programmatic inputs like dissemination of information, highly visible communications and campaigns, capacity building and mobilisation of the excluded socio-economic groups, widening of alliances, fostering partnerships and networks, monitoring international conventions, lobbying for legislative and policy changes and for transparency and accountability within the government and institutions are delineated as crucial for effective outcomes.

In order to review the process for the plan period, AAV management team consciously outlined the year 2008 as the mid-term for the CSP period and the overall review of the program was carried out with a stress on the impact at the ground level and assess the effectiveness of the initiatives to generate lessons from the past two and half years of the CSP period. The period of the review was scheduled within a three to four months time frame which

## Section 4: Thematic Outline of the Program



was facilitated by the IASL Officer and the final sharing workshop was held in the month of January 2009. All the Theme leaders revised the indicators they have prepared before for the monitoring of the CSP. Themes also tried to map out their indicators in the four areas of change in the GMF to see the type of change we aim to achieve and how we are planning to keep track of the principles of ALPS.

Apart from those internal reviews, Programs and Themes staff went to the field together for three community consultations in Ninh Thuan, Ha Giang and DakNong. These three locations were selected as representatives for the geographic regions (South, North and Central respectively) and for the three stages of DA operation. Colleagues from the Asia Region also got involved to guide the process further and to represent the regional perspective for the processes. It was decided that instead of replicating the process once again in the community the same review outcomes should be used for the Annual report in 2008.

## 4.1 Achievements by themes

### 4.1.1 Women Rights:

The evaluation findings of the Anti-Trafficking project show that after the completion of the project, Provincial Women's Unions have been able to carry out a wide range of anti-trafficking activities, especially to implement innovative ways of raising community awareness about the risk of trafficking. Another result of this project is that other agencies (CSAGA, Central Women's Union and Department of Social Evils Prevention) in collaboration with AAV in the project have expressed that they feel

influenced by AAV Gender and Right-based approach in their own approaches to combat trafficking. This project has helped to bridge the differences between government and non-government agencies resulting in a much better level of dialogue and common understanding.

In Ninh Thuan, a group of women said very confidently and happily that domestic violence has decreased considerably during the last few years. After attending training, they now know how to handle with their husbands when they are about to hurt them. However, this situation is by no means stable. There are many cases where wives are suffering from violent husbands and are accepting it as their destiny. There seems to be no effective mechanism in the community and local authorities to help solving these problems. Most women feel very reserved about talking to others about their situation as this is a private matter that should be dealt with by husband and wife themselves.

A warning raised by a woman is worth noting: which said 'the current economic crisis, coupled with crop loss due to climate change, will put a strain on domestic conditions and threat to stress couples to resort to violence'.

**Objective 1:** To ensure that women and girls are empowered to eliminate violence and harmful practices, negative social attitudes and norms, to attack patriarchy including any



discrimination against women/girls, trafficking of women and children and violence against women

The process began in form of club meetings to gain knowledge at DA level by organising trainings; workshops and capacity building for the team to understand the issues. As a result; several clubs (34) have been set up with participation of 70 men and 860 women). Study tours were carried out for the core trainers with plans that they will train the local facilitators with similar training topics. This is successfully done throughout the campaigns and policies dialogues with the policy makers were organised involving related stakeholders at national level. The process was covered through the following activities at each level:

- Meetings among policy makers and NGOs to launch the project. The linkage between Sexual Violence and HIV/AIDs was also established in coordination among ISDS, CSAGA and AAV.
- A dialogue with policy makers on the new developing decrees of the Law on Anti Domestic Violence was carried out in coordination with CSAGA to raise the voice of the violated women.
- AAV collaborated with Gencomnet to organize dialogue with policy makers about developing decrees for the Gender Equality Law
- A campaign on Women Rights to land was organised as the focus for Hunger Free campaign in 2008
- A campaign on anti Domestic Violence which is

in condition among PyD, UNIFEM, UNFPA and AAV

- A campaign on anti trafficking of women and children at both national and DA level.
- Numerous Training opportunities about Gender, human rights, domestic violence, HIV/AIDs, human trafficking were provided to the local partners. These were carried out by the AAV staff.

At DA level, several activities have been done including establishing local facilitator teams, trainings, workshops, campaigns against domestic violence, trafficking of women and girls, gender etc. According to figures provided by DAs, 3018 men and 23862 women were participating in women rights theme's activities. This can be considered as an achievement because DAs have attracted a large amount of men involving in women right issue which is traditionally concerned by only women.

**Anti trafficking Project: From the progress reports provided by CSAGA (Centre for Studies and Applied Science on Gender, Family and Adolescents) and their feedback during the review, the establishment of the telephone hotline proved to be a successful way (about 20-30 call/day) to enable the broader community and women considering migration for work to access a variety of information about safe migration procedures. Most callers were seeking information on their rights and the basic procedure for help to avoid the hassles of the middlemen or agents. The service offered**

**both recorded information and a counseling service to respond to more specific or personal enquiries of the returnee. Now that the project support to the hotline has ended, CSAGA is considering ways to include the hotline, it will be an important advocacy tool to sensitize the groups as well as influence the authority.**

As the key outcome of the process a learning platform was organised by bringing different stakeholders from Vietnam, Cambodia and China (Taiwan) to draw the lesson learnt from last two years implementation of cross border trafficking project as well as to develop the discussion paper for next ASEAN People's Forum. Finally, the group members also came up with a "Charter of Demand" to be placed before the ASEAN leaders to ensure greater bi-lateral coordination among the countries involved in the process.

A research on the current situation of female migrant workers in relation to the risk of involvement in human trafficking had been carried out in Dong Anh and Gia Lam districts. The findings of the research were reported to the representatives of National Assembly, Vietnam Labor Union and Central Women's Union at a workshop organised in December 2008 in Hanoi. The deputy Chair of the department of Social Affair - National Assembly confirmed that findings from this research would largely inform the formulation of a new policies for female workers migrations and anti-human trafficking

**Story of Change:** "Although three years passed, I still remember vividly a very thin women Hue Thi Vu and her daughter when they recently returned home in Lap Le Commune, Thuy Nguyen District, Hai Phong City from China in 2005", said a staff of the Hai Phong Women's Unions who are taking care of this project.

Hue was treated to leave home for earning in Mong Cai Town of Quang Ninh Province in 1999. This is neighboring with Hai Phong Province and borders with China. She, then, was trafficked to China and forced to get married with a Chinese men. She had two children, a girl and a boy. Her husband is an alcoholic, gambler and beats her often. She lived in poverty and suffered from domestic violence without raising voices for help because she knew no one to run to.

In 2005, she escaped from this family and ran home. She could bring only her daughter back. Coming home without money and job; she relied on her parents who are old and poor. She became depressed. They granted her a small corner of their building where she could use as a small shop to earn, including housing. At the beginning, she could not run the shop business because of little capital but rather worked as free labor. This job is hard and could not provide enough for the living cost of both her daughter and her self.

In 2006, the Commune Women's Union invited her to join the anti trafficking club established by the project and she became a member. She was

active in the club activities such as sharing her own experiences with others, attending a training course on small business running. She was also supported to finish a six-month tailoring training course. After that, she was provided with a sewing machine and facilities to start her own business at home. She also received US\$ 200 from the project credit loan to make capital contribution to her brother's fish raising initiative. Her business, tailoring and repairing old cloth is running rather good. As being independent in business making, she gradually learns how to make up her shop more tidy and professional. She also learns how to make up her self more attractive. "My business is too busy so that have not enough time for cooking meals.

We felt happy to see a returnee to be an economic independent and to fully integrate in the community life after a long period being violated. She hangs a picture of both daughter and son on the wall. She said that she continues to contact with her son by telephone but seems hopeless to get him back.

**Objective 2:** To ensure that women and girls secure their rights to quality education, health, decent jobs and employment opportunities, and sustainable livelihoods.

- In 2008, AAV just started the process with a survey on land. AAV will use its findings to advocate for improved access of poor women to land resources and awareness raising campaign



for the full implementation of Land Law in the coming years.

- AAV has been part of the group to facilitate the Reintegration Network to facilitate and advocate for the community reintegration process. The reintegration network keeps engaging with MOLISA on issues.

**Objective 3:** To promote the active and high quality participation of women in politics in Vietnam

- AAV started this work in a small scale at DA level during the past years and will foster it in the coming year. A survey on the current situation of women participation in local governance was conducted.
- AAV organized campaign/training on gender equality in politics at different DAs. 59 men and 1012 women recognized the important presence of women in politics system or community work.

**Objective 4:** Women's issues are well recognised by almost staff. They have common understanding as well as appropriate attitudes and behaviors toward gender equality. Women's issues are also reflected in all AAV policies and strategies.

The Women's Rights team has carried out in 2008 with a rigorous series of induction and training program to sensitise all the staff members to ensure basic understanding on the issues through the training which was carried out with the support

of WR team and Asia IASL Coordinator. Further, the process was reviewed during the CSP MTR process to assess the impact of the initiatives undertaken by the theme.

## 4.1.2 Rights to Just and Democratic Governance

As part of the key initiatives of the Governance Theme, The Economic Literacy and Budget Analysis for Governance (ELBAG) have been replicated in 11 DAs out of the total 17 existing DAs of ActionAid. Those are Ha Giang, Ha Tinh (2 DAs), Dien Bien, Lai Chau, Hanoi, Soc Trang, Tra Vinh, Go Vap, Ninh Thuan and DaLak. For the first time, community members had the opportunities to engage with local officers via a series of dialogues and group discussions, which significantly contribute to the implementation of grassroots democracy. Besides, the approach would bring good opportunity to exercises their claims towards accountability through the grassroots dialogues around such issues of recourses allocation and expenditures among local people and authorities.

Another aspect of critical engagement by AAV, although indirectly, in the dialogue with multilateral donors is through research such as Post-WTO Poverty Monitoring, State of State Report and the Discussion paper for the ASEAN Forum "Impact of Price Rise on the Poor". The later was successfully presented at the ASEAN and together with the WTO Monitoring report, the process has created an impact at the Consultative Group Meeting

held in October 2008, where the report was presented with the key findings to inform the highest level of the government (including the PM office). Following requests from these bodies, VASS, Oxfam, ActionAid Viet Nam, are now (April 2009) supporting follow-up research to investigate the impacts of the economic crisis on i) migrants who have recently returned to their home villages (and inter alia the effects on those communities), ii) workers in industrial zones in Hai Phong and greater Ho Chi Minh City. While the outcomes of these advocacy activities are not visible yet, this contributes a form of counter argument of utmost importance in the social debate in Vietnam now.

**Objective 1:** To ensure that governmental institution and other development agencies will be deeply accountable and responsive to the poor and excluded people's needs and priorities.

- The Economic Literacy and Budget Analysis for Governance (ELBAG) approach has helped principles of Grassroots' Democracy Decree to put into practices. Community people through their representatives in the People's Council would have opportunity to questions about public budget management. In addition, it also supported to further up capacity building for them to perform their roles and responsibilities more effectively in monitoring public budget. Besides, the approach provides an opportunity to exercises their claims towards accountability through the grassroots dialogues around issues of resource allocation and expenditures with local people and authorities.

- The ELBAG network has played a more active role this year in advocating ELBAG approach to Parliamentarians and Vietnamese NGOs forum as one of the effective tool in monitoring aid and aid effectiveness. Apart from that, with the technical supports from Regional Coordinators, the localized ELBAG training was organized with a more focus on further promoting people participation to the resources allocation by building a strategic policy advocacy strategy.
- Transparency and Accountability models have been piloting and practicing by the "Fellowship Initiative" from University for Labour and Social Affair who have been trained to become social workers in the near future. Such models have been proving the community members capacity in mobilizing resources, formulating action plans to their emerging issues

**Objective 2:** To promote people's/ youth and women's participation in public affairs, and to take lead in the administrative system at each level.

- The project on "Working out a People's Framework in Monitoring the Progress of Vietnam Public Administration Reforms- the pilot case" was successfully approved by the Royal Danish Embassy in Vietnam which would contribute very much to



the achievements of this objective. The project aims at enhancing the public administration reform process through the establishment of the Information, Communication and Technology for Development (ICT4D) models and adaptation of tools to ensure accountability in measuring public services as report cards and social audit. The project is carried out in 4 provinces including Ha Tinh, Dien Bien, Lai Chau and DakLak with a total proposed budget up to 5,000,000 DKK.

- An innovative program on providing a fellowship to the younger generation students who have been in training to become the future social workers was established with the University of Labour and Social Affair. The program has been conceptualized the mobilized the youth to understand and engage with the community through an immersion program to promote

people participation processes. On the other hand, it has contributed to orient career development for a majority of the youth who are attracted to business sector as an emerging trend nowadays. (The story of changes)

**Objective 3:** To establish the network of supporters for AAV's struggle against the root causes of poverty and injustice.

- The jointly initiative between AAV, Oxfam Great Britain (OGB) and Oxfam Hongkong (OHK) on Post WTO poverty monitoring was successfully accomplished the 1st round which was considered as the establishment of poverty database for the coming years in monitoring changes. A total of 600 household questionnaires of 20 villages were completed; 143 group discussion employing PRA tools were carried out and 246 in depth interviews together with the 20 village and communal information sheets were made. The 1st year synthesis report was well presented in the CG meeting by AA's CD with the keys messages and/or findings as:
- Poverty issues of the new emerging poor groups in the industrialized and urbanized areas;
- Livelihood for the landless, especially the ethnic people; and their vulnerability
- The need of a coordinated system of social protection responding to natural disasters and economic stress.

- The in depth study on “Impacts of Price Hikes on the Lives and Live hoods of Poor People in Vietnam was carried out in Dien Bien, Dak Lak, Quang Tri, Hai Phong and Go Vap as the further step of this on going poverty monitoring exercise. The various scopes of this research have made significant contribution to providing useful evidences for discussion on policies and support programme for sustainable poverty reduction.

### 4.1.3: Rights to life and dignity in the face of HIV and AIDS

The activities deployed have been already confined in terms of new initiatives and piloting models (law cards and directories) in order to achieve the objective of mainstreaming the issues of People living with HIV. There have been many measures to testify what achievements that the initiatives have on the PLHIV or how the targeted groups have been using the initiatives. In brief, there have not been enough reinforcing evidences for the utility of the initiatives and models to the lives of PLHIVs, not yet mentioning the practical advantages and difficulties in using the new tools. Hence, it's suggested that further reinforcing activities to affirm the completion of the initiative or the accomplishment of the objectives on mainstreaming HIV issues on every day life. Initiatives on STAR method has been fully implemented, however the strategy of implementation are limited to achieve the desired result of STAR processes. Besides, training on self care for PLHIVs have been undertaken in rather

small sphere with limited potential of going in depth, scaling up and connecting with other caring systems already available in Vietnam.

The recent Mid Term review in Go Vap (DA5), Ho Chi Minh City shows that interviewees agreed that they have learnt more about these issues as well as have had more social connections since their involvement in the project. As a result, they have become more proactive in protecting themselves from HIV/AIDS infections, less discriminative towards the infected people, especially less “discriminative against themselves”. In addition, when interviewed some of the PLHIV members disclosed that they received very practical supports to get over extremely difficulties in their life, particularly when they were falling sick. They have received more concern, acceptance and assistance from their families than before. These HIV-infected people, when asked, confided that spiritual support is very important to them besides material support and that the DA5 program has been successfully offering to them both.

**Objective 1:** To ensure that people are able to prevent the spread of HIV and AIDS and mitigate its impact through raising their knowledge and understanding about modes of transmission and ways to avoid HIV infection.

- To date, STAR network has been established in 7 DAs covering both the North and South regions with remote mountainous and urban settings. STAR training has been provided to building

capacity for all involved stakeholders.

- HIV/AIDS directory has been documented, gathered 144 government agencies, INGOs, local institutions, activist civil society working in Ho Chi Minh City
- The directory is providing basic information such as goal, activities, address, target group, local organizations, activist civil society, clubs of PLHIVs concerning about HIV/AIDS.
- Based on information from HIV/AIDS Directory, those agencies can share information, resource, and experience together, so PLHIVs may have more opportunity to access their services and opportunities, not only from government institution but also from other agencies, especially from civil societies.
- HIV prevention interventions were implemented in 4 DAs where there is the high ratio of HIV infection (Quang Ninh, HCMC, Cao Bang and Ha Giang), such as HIV/AIDS knowledge was introduced in STAR group regular meetings, trainings, campaigns/social events towards women, youth in the community and in schools and PLHIV and their relatives and key staff of local authorities. Thanks to these activities, the stigma and discrimination towards PLHIVs was reduced,
- PLHIVs groups in 4 DAs were built capacity skills in communication, facilitation, home based care and positive living and their rights in accessing to available local social, educational, vocational

and health services. They felt more confident to participate in activities support for PLHIVs.

**Objective 2:** To enable PLHIVs to claim and secure the rights to comprehensive care, support, and related information on international and national policies, and be free from discrimination in exercising their rights, especially for women and children.

- HIV/AIDS law card has been published in summary form which mentioned key points on duty and responsibility of PLHIVs. HIV/AIDS Law cards have been delivered to all PLHIVs network and local authority at local level.
- A national level advocacy group has been set up with a stronger alliance of UNAIDS and a legal support team to facilitate the dissemination of the law card. The follow up workshop was organised by AAV in June 2008.
- AAV and CARE Vietnam have been part of the coordinating and facilitating mechanism through the groups to work together, and then establish the network with those agencies.
- AAV team organised a larger consultation with the members of the STAR network (community leaders) to review the progresses towards mobilizing the positive people and their care givers.

**Objective 3:** To advocate to government policy makers and community leaders for effective



enforcement of responsive policies on rights to health care and support for PLWHAs at all levels.

- The convention was also concluded with the foundation to initiate the People's Alliance for Combating HIV&AIDS (VPACHA) which is considered as the first step to lead the process to its logical end under the leadership of the key stakeholders.
- Followed by the consultation workshop with the positive people's network, the team also initiated the process of consulting the key stakeholders at the national level. The proposed framework was shared with the CARE Vietnam and it has been broadly agreed to facilitate a joint initiative to mobilize other key actors at the national level.
- The opportunity to join APACHA was also introduced at a HIV technical working group in Ho Chi Minh City in June, which is chaired by CARE in Vietnam.

#### 4.1.4: Rights to Food

The Mid-term Review of Go Vap (2008) revealed that although program activities on migrant workers have been discontinued, their impacts can be seen today as the program targeted migrant workers said that their knowledge and awareness in labour rights and responsibilities among laborers have been increased. At the same time, leaders of businesses and district organizations have paid more attention to labours' benefits when making

decisions related to the workers.

AAV involvement in climate change issues through the multi-country study has also drawn the attention from policy makers, media and research institution towards building mechanism to community resilience initiatives to adopt to climate changes phenomena.

**Objective 1:** To enable poor and excluded people and communities to access to diversified on-farm and off-farm livelihood options, market information and suitable techniques to fulfill their right to food.

- By integrating livelihood initiatives to different types of community groups, we have successfully introduced several income generation activities to the disadvantaged group, which has not only improved significantly their income, but also improve their practice for a better planning and coordination with in the community.
- As the result from the awareness raising and capacity building process in AAV program, many of the poor in the DAs have been able to access to more resources, such as accessing to different types of loans (to which they were not eligible due to lack of technical requirements), borrowing land from others in Cau Ngang district and community forest management entitlement in Gia Lai.
- Through participating in the credit scheme,



almost all poor women feel more confident engaging in other social activities. There is a strong feeling that when achieving better-off, their voices in the community and society are better heard and respected.

**Objective 2:** To advocate for pro-poor policies and practices that protect the rights of poor farmers to gain access to, and control over, local variety/seeds, land, water, and credit and to mitigate the negative impact that may affect them during global economic integration.

- AAV has made great effort to advocate and campaign for farmers' rights – especially women's – to get better access to productive natural resources and agricultural input such as land, water, forest and seeds as they have great importance for poor communities to develop sustainable livelihoods.
- With the support from AAV, the civil society networks including farmers, women and landless people's organizations, have worked together to secure the right to food, i.e building CIFPEN's capacity to facilitate the poor farmers to raise their problems and needs on food security. During 2008, the networks has provided poor people with technical support to develop different sustainable livelihood options and to participate in the Hunger free Campaign.
- Advocate and campaign for reversal of unfair rules and practices imposed by WTO and seek to embed pro-poor development at the centre of the multilateral trading system, particularly: The post-WTO poverty monitoring has been crucial in

providing recommendations for policy changes to safeguard rights of poor and excluded people. Series of activities and seminars to share the perspectives of poor people on WTO possible impact to the livelihoods of poor people have been organized at provincial and national levels.

- At national level, research on land entitlement of women was conducted, and surveys on landlessness and alternative livelihoods to the poor were conducted in different DAs. Findings from these researches, surveys not only provided strong evidence to advocate for pro-poor policy but also promoted sustainable, appropriate livelihood patterns for the poor and landless people. The position paper of AAV on Food Security for the poor in the context of economic integration and climate change drew a great attention among donors, governments and other stakeholder's process of making the policies on Farmers, Rural and Agriculture.
- Successful launching of Hunger FREE campaign in Vietnam, in which the issues on women access to land was emphasized and drawn strong attention of various stakeholders, namely governments, donor community, civil society organizations, mass media and the general publics.

**Objective 3:** To promote and integrate community-based disaster preparedness and risk management into long-term production plans to secure rights of poor and vulnerable communities with special reference to women and children in the face of natural disasters.

- Disaster relief, rehabilitation and preparedness for the flood victims of typhoons as part of response to Hunger FREE campaign in the affected areas both in and outside AAV DAs.
- The model of building community based resilience for disaster reduction has been introduced and practice in AAV DAs such as Ha Tinh, and Hoa Binh .
- AAV involvement in climate change issues have brought about strong attention from policy makers, media and research institutions towards building mechanism to community resilience initiatives to adapt to climate changes phenomena.

**Objective 4:** To empower workers, in particular migrant workers, workers in the informal sector, and people affected by unjust corporate processes, as well as consumers, to assert and claim their rights and entitlements.

- Empowering the Trade Union workers to act as reliable support for workers with special reference to migrant workers and improving their awareness on their rights and entitlements and how they can get access to the public services.
- Focusing on the DAs with high concentration of migrant workers of Hanoi and Hai Phong, AAV and its partners continued to support the formation of workers groups and capacity building to key (workers) facilitators by organizing different forums, campaigns on Law code for the workers to help them claim their rights and entitlements.

- Challenging the private sector, advocating at the national level through workshops, forums on enhancing the social responsibility of entrepreneurs and practicing ethical business
- Conducting a study on the influence of leather shoes anti-dumping on half million shoe making workers echoed to EC, that its consideration and adjustment made in a more favorable and beneficial to Vietnam.

#### 4.1.5: Rights to Education

The initiative on improving the quality of education received by ethnic minority children has helped provide minority children in Ha Giang, Cao Bang and Lai Chau provinces with better educational environments, methodology and facilities. The model has also been adapted and expanded by local education authorities to other areas outside geographical locations where AAV works.

Participation of the most disadvantaged groups, particularly women, in the development process has been improved with the establishment and operation of nearly 200 Reflect circles in 13 Development Areas, including Laos. Over 100 community development groups have been established, originally evolved from Reflect circles, with a more active role for local facilitators and strengthened links with local government authorities and professional agencies. The approach has been widely adopted by World Vision, Malteser and RUDEP (an AusAid project in Quang Ngai). In

particular, this methodology has been given official recognition, with the training materials introduced by the authorised body of MOET. It is important to note that the application of Reflect has largely been exercised by local partners who would be in position to sustain program activities subsequently.

**Objective 1:** To improve access for women and girls, boys and men, especially those from ethnic minorities to quality education.

- Working in 5 districts of the country with the initiatives on improving quality education for ethnic minority children, AAV has promoted the adaptation of friendly educational environment and child centered teaching methodology and better equipped classes. In 2008, with the success of AAV programs, the contextualized text books developed in these programme has been adapted and introduced by local education authorities of Ha Giang and Cao Bang to other regions outside in order to ensure a better access to quality education of more than 50 thousand ethnic minority children.
- Different initiatives in improving educational environment have been diversified, particularly model of pupil groups, providing life skill trainings to adolescents and teachers, school counseling, pairs of “progressing together”, mid day meals have been introduced to different DAs such as DA4, DA5, DA13. These initiatives have been significantly improved student’s academic results with more than 90% of school children at the target schools have been able to improve



their skills. They enjoyed a quality education at school, and also been largely free from being abused and violated of their rights

**Objective 2.** To improve people's participation, especially women, in community development processes from planning to decision making through Reflect.

- The application of Reflect has been expanded further and become more sustainable with the establishment and operation of nearly 200 Reflect circles. The participants of these circles have not only been actively involved in the activities of AAV programme but also in other initiatives for their community development. Particularly more than 100 community development groups have been established, these groups are originally evolved

from Reflect circles with more active role of local facilitators and strengthened linkages with local government authorities and professional agencies.

- The impact of Reflect approach has been widely adapted by more INGOs as World Vision, Malteser and RUDEP (an AusAid project in Quang Ngai). The cadres of more than 40 trainers from different DAs of AAV and other NGOs have been provided with trainings. The use of the methodology in the formal education system has been officialised with the training materials introduced by authorized body of MOET. Department of education and training in Travinh province has directed district education office to adapt and expand the use of Reflect in government programs out side AAV DAs.

- Through the model of and Community development groups, mostly originated from Reflect circles, has been promoted and this model has helped the integration among themes and program.
- Initiative of linking up community development groups with Community Learning Centers has been piloted and gained high appreciation from all the concerned stakeholders. As of 2008, it is being adapted as basic operational structure at local level for AAV's interventions in most of the DAs in rural areas. The model has been adapted and replicated in Hoa Binh province by provincial authorities and it has also been popularized as an effective means for promoting learning society and local development planning to the all Asia Pacific region by UNESCO in its regional workshop during June 2008.

**Objective 3.** To ensure that all stakeholders including parents, the community and government fulfill their obligations to provide quality education for all as a basic right

- Surveys and researches on financing education, drop out children have been conducted both at DA and at National level to identify the issues that the poor and excluded people are facing. The findings have been conveyed to the government and education offices at different levels

to call for necessary support from the government to ensure the free and compulsory access to education by the poor..

- AAV has organized series of activities in the forms of dialogue, communication campaigns, workshops in the local communities and schools to address the attention and debates among stakeholders on the issues of education.
- The Global action week for education in Vietnam was successfully organized in the April, to which more than 3 million people across the country participated, the involvement of AAV contributed greatly to this event, which is part of the world biggest lesson. Via that event, awareness of parents, community and education authorities on the rights to education have been significantly influenced.

## 4.2 Lessons learnt from implementation of activities in 2008:

Women in politics are still a complicated issue to deal with at the central level. The experience from the project to 'Increase Proportion of Female Deputies in the 12th National Assembly' revealed that it would need for more strategic interventions of CSOs to deal with such the hierarchical decision making body, i.e. there must be a stronger network with stronger social pressure in order to make any positive changes. Hence, it is proposed to change the strategy to promoting women participation

and their quality participation at the grassroots level or at DA level. And women rights theme will take main responsibility for this work. Meanwhile, the Governance theme will mainstream it to its activities and approach.

It is very much important to provide knowledge about human rights, right-based approach, CEDAW and Vietnamese law to the local authorities and mass organizations. It is agreed that laws were already passed with the voices raised from the grassroots. Actually it is still hard to monitor and intervene in the full implementation of those laws. It is proposed that greater efforts would be made to join hands with other NGOs, UNs needs to ensure people at the grass- roots level to get to understand better the law through more understandable languages. At the national level, AAV should be pro-active to reach the related ministries to find out opportunities and get involved in capacity building or advocacy with the government which is done with GENCOMNET and other similar networks of local CSO's.

Critical engagement by AAV in WB, IFI and ADB policies towards poverty alleviation in Vietnam is recognized and positively contributes to the development process: Even though, Vietnam in general has proved to be a good example in making successful negotiations with the donors. AAV as a representative of the civil society should engage more in this process in the coming time so as to present the voices of the poor to this process. AAV should build staff capacity, and besides, to



raise awareness of the local partners, especially local NGOs to have better understanding about the IFI issues in coming years.

## **Lesson Learnt from the MTR**

**Processes:** This section is purely taken from DAs' MTR report, Evaluation Reports, PRRP reports and reflect the lesson learnt in the last few years:

**Participation:** It is essential to increase the involvement of all parties like the followings

- Participation of local authorities from the grassroot to provincial level in all areas of the project.
- Enthusiastic participation of community development staffs.
- Participation of relevant parties involving in the process from planning to implementing and evaluating.
- Community development on the basis of people's rights, empowerment and participation will help to obtain the objectives of program more easily.

### **Management mechanism and partnership:**

- More active and closer coordination with relevant partners and parties in all the activities.
- Building up a good partnership and relationship with partners and local authorities of all levels and the local citizens; courting the support of local

authorities to facilitate the project activities.

- Building up the mechanism of management, coordination, with clear accountabilities and responsibilities of all parties.
- The roles of management board at district level are dominant over others. Empowerment to and responsibility enhancement of commune management board and the community should be done.
- Strengthening existing partnership is an essential matter. However, it should be a mutual respect and collaboration, especially respect to POs, otherwise, strong measures should be taken
- There is a great need for broadening the understanding of local partner and people are still not familiar with AAV's RBA but old one (SDV).
- Cooperation and support for program activities between AAV and partner, and among relevant departments, agencies at district and commune levels, are limited due to personnel changes.
- It is necessary to improve the partnership and partner's capacity building to ensure better working result.

**Human resource:** To enhance the capacity building of human resource, the following should be focused :



- Recruitment of enthusiastic core staffs at grassroot level. They will play important role to implement project activities and transmit the message back and forth to the community.
- Staffs should be empowered so as to enable them to promote ability and complete the assignments.
- Bringing into full play the local resources, especially the roles of CLC in the implementation, M&E of programmes.
- Maintaining the M&E scheme in place, reports on project implementation and outcomes obtained, ensuring that obstacles and challenges would be dealt with timely.
- Longterm strategy with concurrence of partners and clear priorities should be set for yearly plan.
- Vision of Community, social groups and individuals participating in the program should be set out clearly.

#### **Program's activity planning and implementation:**

- Designing the activities based on the need of local people, and more activities for the first months of the year. Activities should be designed in all dimensions so that they would be flexibly changed when needed.
- Integrating the activities, especially for Reflect Group of Education and livelihoods of Food rights.
- Activities should be of focus when the budget is limited.
- Setting priority for capacity building for community rather than material assistance.
- Focusing on quality, objective and timeline when making monthly, quarter, and yearly plan.

- Activities implemented at DAs/DI were very helpful to the hunger elimination and poverty reduction. There would be greater need for documenting good practices and lessons learnt to share from within the organisations and other external development actors as well.

**Transparency and accountability:** Concrete process of management, monitoring all the project's activities has been ensured. All information, especially financial matter, is transparent, publicized upon AAV's norms and regulations.

**Communication and propagation:** This is of much importance to help all parties understand clearly the objectives, and goals of AAV's development programmes.

Despite all the efforts in poverty reduction by various programs, obtaining basic necessities in life remains a struggle for the majority of communities in our Development Areas.



**Section 5:** Impact Assessment and Shared Learning

The PRRP guideline has been developed in consultation with the Regional IASL Coordinator as well as teams in AAV. This is emphasized to be a living document that serves only as an overall guiding of the core elements of a PRRP to ensure the AAV's compliance with ALPS. This is recognized as a necessary document especially for new staff those who are not able to fully work out how to conduct a PRRP from reading ALPS. Also by listing out the core elements in a PRRP exercise, AAV can synthesize lessons learnt at the organizational level.

PRRP have been carried out in almost all DAs/DIs so far. This reflects an effort to explore our performance in a participatory manner with all relevant stakeholders. In each PRRP, there is participation of many members from each team in AAV to come up with a comprehensive understanding from different perspectives.

Also in consideration of the limitations of personnel resources and workload to spend on PRRP exercise, a mapping was developed to take stocks of all DA level processes to be used as a complementary operational document to the PRRP guideline. IASL was also involved in other aspects of AAV operation such as proposal development and form for Planning and Budget. The form was developed in an effort to create clearer link between Themes and DAs as well as to meet the requirements of the financial system. MIS, another joint effort, is being developed and will be piloted in the near future. This system is aimed to provide regular quantitative data at the output level for management demands as well as to promote transparency for mutual accountability

among all AAV teams. Also, this will enable more effective communication and information sharing for management, reporting, and monitoring and evaluation purposes.

Compliance with ALPS: PRRP, Mid term reviews: It is unlikely that the IASL system will be able to satisfy "all requirements and is fully in support of our goals and priority themes" by 2010. The reason partly is the high turnover of AAV staff, including IASL officer, which obviously results in loss of institutional memory for an enhanced development and implementation of ALPS principles. ALPS concept and principles were introduced to staff in ICS workshop in Do Son (Hai Phong) in Jul, 2008 and Planning and Budget of Themes in Sep 2008. GMF was introduced together with power concept in CSP MTR workshop in Jan 2009.

Furthermore, there needs to be a stronger "organisational will" from the management to enforce ALPS principles in the operation. AAV work in the field is being implemented mostly by our partners (local NGOs, government agencies) who are under no obligation; seemingly have no motivation and lacking capacity to comply with ALPS principles. On the other hands, staffs do not feel sufficient support from the organization to push for partners' compliance with ALPS principles. Most of budget information has not been properly disclosed to communities. This creates limitations with a contradiction to their values and what they conceive as organization values.

One big challenge is how to balance between reporting demand required for management

and reduce reporting by field staff. The current implementation of ALPS tends to eliminate many reports. This is harmful as activities seem to be beyond the control of AAV managers and DA/DI programme officers. Moreover, while emphasizing accountability and participation, the lack of qualitative data leads to a lack of concrete evidences which is complimentary to qualitative ones and enhances its validity.

Plans for Improvements: Cost-benefit analysis and/or cost-effectiveness analysis should be seen as a good tool for checking the “value-for-money” of our operation. The implication is the need for better link between financial data and output and outcome data. The challenge is to define the extent of downward accountability and community participation as required in ALPS, hence there is a need to engage the community in the process.

There should be more determination in consolidating Facilitation Groups. This should be seen as a highly potential mechanism for the transition from DA-based to Theme-based operation. At this stage, this mechanism could help to bridge the gap in the operation between Themes and DAs. This is also seen in the light of staff capacity building for long-term specialization of career development.

Monitoring and Evaluation system (MIS initiative): AAV has also initiated a MIS system to develop an effective monitoring tool to be institutionalized. The program has been almost completed with the basic reporting requirements for management

process with an intensive field pilot process at the DA level. The next step is to incorporate the Planning process into the system to maximize accountability and planning effectiveness.

Framework for M&E indicators by Themes: The framework for CSP Indicator for each theme has been developed both in English and Vietnamese and was developed in correspondence to the CSP objectives and sub-objectives as presented in the 2009 Planning and Budget form. This form will enable the organization to track down AAV achievements of the objectives both in terms of financial cost-effectiveness and outcome contribution. Indicators as presented in this framework were developed by the Theme Coordinators and IASL officer. These other relevant personnel need to agree on the indicators in consultation with other functions and departments.

ALPS document needs to be translated into Vietnamese for disseminating to staff and partners and to be a part of the Induction package to ensure that new staff have proper understanding of the organization principles .. The guidelines for processes need to provide overall instructions for the steps and be treated as a living document that will be refined by the lessons learnt from the field, rather than a “recipe”. So far, only guideline has been developed for PRRP. The next step is work on Appraisal package. In the current planning year, it has been agreed to pilot a model on promotion of Participatory Monitoring and Evaluation process in 3 DAS representing the Northern, Central and Southern regional program of AAV.

During the 2008 plan period IPD has achieved objective in terms of income and funding diversification with a positive growth in the resource mobilization from IPD sources. It has certainly been a meaningful process to provide timely support to the concerned themes and functions for initiating the new initiatives to meet the strategic objectives as outlined in the CSP IV. As the program focus is increasingly getting streamlined into the thematic areas of work with demand for both local as well as national initiatives, the model projects initiated with the support of the donors have brought in a synergy between the all programs.

In the past, AAV team has engaged with new donors such as DANIDA, Atlantic Philanthropy, Spanish Government (AECI), AusAID. From DANIDA, around 1 million USD has been raised for Governance theme with PAR project. For the other themes, there has been an effort to develop relationship which was quite helpful to open a new opportunity for AAV to increase our income and diversify our funding sources. Moreover, the fundraising process is almost in place with the engagement of Finance and HROD function provides support for both for AAV office and its DA partners. There has been also the participation of WR officer in the latest proposal submitted to the Global Fund. Partners are also engaged in the process developing the proposal to submit to donors where communities are also consulted.

Over the last few years, since the operationalisation of the new CSP, income from partnership increased



## Section 6. Resource Mobilisation

significantly. The percentage of income achieved increased from 131.78% in 2006 to 153.83% in 2007 and 275% in 2008 respectively.

## Fund Raising in 2008

<b>Years/ Themes</b>	<b>Plan (£'000)</b>	<b>Achieved (£'000)</b>	<b>Notes</b>	<b>Achievement with plan (%)</b>
<b>2008</b>	<b>424</b>	<b>1166</b>		<b>275</b>
Women's Rights		160	confirmed	
The Right to Education		147	confirmed	
Governance		211	confirmed	
The Right to a life of dignity in the face of HIV&AIDS		0		
The Right to Food		25	confirmed	
The right to human security during conflicts and Emergency		260	confirmed	
Others		363		

From budgeting and planning in 2008 for period 2009-2011, there was significant change in our organisation, specifically from themes, to DAs and IPD function: (1) we have a consistent planning and budgeting amongst three parties to raise funds: DAs proposed to themes and together with themes, IPD compiled all that needs emerging from the plans and put it under each theme as unconfirmed budgets. This will help all related functions to see the need and opportunities to match the need with funding sources. For the next 3 years, it will be a challenging period when 9 to 10 projects will come to an end in 2009 and funding opportunity from Grants of official donors will decrease due to the change in the status of Vietnam as it is projected to become a middle income country in 2015; (2) The other highlight is IPD team have integrated with donors to identify their priorities to match with ours. In 2009-2011 planning and budgeting, income from partnership will be needed to increase up to GBP 1,435,000 which is challenging when most of the projects funded will end in 2009.

## Quality of Fundraising work

	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Forecast</b>	<b>2009 Plan</b>
<b>Number</b>	Number	Number	Number	Number
Concept notes/ Expressions of interest/ Letters of enquiry submitted	10	10	8	8
Applications / proposals submitted	7	7	7	7
Contracts signed	7	7	5	7
	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Forecast</b>	<b>2009 Plan</b>
<b>Value</b>	£000	£000	£000	£000
Contracts signed	344	598	1190	390
Fundraising costs		0	0	0
	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Forecast</b>	<b>2009 Plan</b>
<b>% success rate for fundraising activity – calculation</b>	%	%	%	%
Concept notes/ Expressions of interest/ Letters of enquiry submitted	1.4	1.428571	1.6	1.142857
Applications / proposals submitted	1	1	1.4	1
	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Forecast</b>	<b>2009 Plan</b>
<b>% success rate for fundraising activity – management estimate</b>	%	%	%	%
Applications / proposals submitted	70	70	88	88

## 6.1 Lessons learnt from Donor Scoping, strategy for fundraising

AAV has currently been responding to calls from donors in a reactive way. The main reason is: (1) there was no fundraising strategy in each theme AAV is prioritising. We just decide to apply to the calls when the donors make calls for proposals public. It usually takes time to prepare from concept note stage to the full proposal submitted with involvement of all related department and partners; (2) there was lack of proactive interaction with donors before the calls come to the public. It also requires pro-activeness from IPD function.

In CSP IV, AAV team did not work out strategic donors to target. However, since IPD team was established as a unit which focused on partnership income from official and institutional donors which contribute to successful funded proposal from new and potential donors such as DANIDA, the Global Fund. AAV team needs to follow up on the scoping study carried out in 2007, two researches were focusing on "ODA trends and challenges" and Donor Scoping with 10 strategic donors listed in following table:

WR	Irish Aid, One Foundation
Governance	DANIDA, EC, Spanish Government
Education	Irish Aid, EC
HIV/AIDS	The Global Funds, Gates Fund
Food rights/ Emergency	ECHO, DIPECHO, Ford Foundation

Other: DFID, IFAD, UNDP, Atlantic Philanthropies and major donors

**Lessons Learnt and Recommendation from IPD Unit;** Any requirement of donor regarding budget line, time line, relevance of the proposed activities, criteria of selection, eligibility of applicants should be strictly observed. The failure's examples of proposal to MDG3 Fund (project's time line is beyond the duration suggested by the donor) or NSA-LA's proposal to EC (irrelevance of project's activities) are very clear and useful to draw our lessons for next calls. The IPD team therefore suggests the following;

- The application of the Big Step in 2009 has an implication in the lost of income from the CS due to the drop –out of several donors. However, it is still unknown how much the loss is. Funding





the affiliates would be requested to provide the official forecast as soon as possible.

- A balance on IPD fundraise among different thematic work should be considered.
- AAV actively responds to the right to human security during emergency as an emerging need. The strategy for this sub-theme should be included in the CSP IV's revision.
- Conduct donor matching activity based on: 1. Fund needs rolled out by thematic objectives both at national and DA levels and 2. Donor scoping
- Ensure at least 2 months for proposal development process except for proposals under emergency.
- Make DA selection process available and practiced with improved coordination
- Capacity building for staff in: 1. donor community,

2. log frame based proposal development 3. Project cycle management, 4. budget table development,

- In the coming time, when the number of projects managed by the F&F section increases, this task will cost lot of time from CMIS team. Therefore, the team plans to make a thorough study on the system at the end of this year so as to find best way to make full use of this system.

## 6.2 Child Sponsorship: Links and Quality

It seems that AAV has achieved its core objective after two years of implementation of the new CSP. With the first expected outcomes outlined in the CSP, regular giving incomes from at least five (5) funding affiliates is achieved including Italy, UK, Spain, Ireland, Greece and Sweden. About 300... sponsors from Sweden have been recruited during

the year of 2008 for DA9 (Daklak). Also, Big Step is a real challenge with different proportions of fund (40% goes to CPs and the rest 60% jump to the International) and new requirements.

As regards to the second expected outcome stated in the CSP, an average of 65-70% of total income is from regular giving and the rest from partnership income, the result has shown positively with the total income of ActionAid Vietnam has considerably gone up from £1,992,000 in 2006 to £2,269,000 at the moment, although the figure for the first 11 months of 2008 is not as high as that of 2007 (£2,396,000). This can be explained with the large donation is on the way at the end of the coming December, which will surely make the 2008 total income outnumber the previous two years. During the period there has been an expansion of the links from 12,610 in 2006 to 15,071 the following year and reaching its peak at 15,406 in 2008. This can be considered the main reason for the rise in the total income of CS alone. The extension of development areas (from 12 in 2006 to 19 in 2008, not to mention other products of ActionAid Vietnam such as Next Step, Big Step and Amico) and the widened spectrum of programmes and activities have been useful in helping maintain the already linked sponsors and appeal to new ones.

However, proved by the percentages of income sources in the second bar chart, other fundraising activities have steadily strengthened the position in comparison with CS programme. As can be seen in the graph, IPD has managed to keep a regular growth of contribution from 24.2% in 2006 to 33.3% at the end of November 2008.

Though CS programme still has its percentage within the accepted range of CSP, it is recommended that CS needs taking into consideration in terms of the efficiency and consolidation of its own strength to sustain its current role as ActionAid Vietnam's main funding source for development. Having said so, the review of CS function's performance is a must from which gaps for further improvement are identified.

However, the challenges for the CS mobilization within AAV are related to the transition of the CS links with that of the field programs. The key to the most important aspect of maintaining quality of our CS reporting depends largely on the child focused program. The pilot initiative on "Invigorating Child Sponsorship" has been effectively implemented in the first phase and the IIInd phase has been rolled out in 2008 to bring the process to a logical end.

**Lessons Learnt:** In 2008, the phase-out of CS activities in DA5 (Go Vap) is a painful experience for AAV. The migration of sponsored children is beyond control of partner and AAV. When the migration rate often exceed the allowed one (7.5% per year), there should be a plan to mitigate the risk. As the case of Go Vap, more than 20% of children; some move to the secondary out of project area; some leave with their parents untraceable. The forced phase-out of DA5 requires AAV to seriously and thoroughly consider its involvement in a DA where high level of migration can be foreseen. The new DA selection must be adhered to the CS policy that clearly states that the partner community must be sufficiency stable to permit CS for a minimum period of three (3) years.



**Section 7.** Human Resources  
and Organisational Development

The HROD function has seen the turnover of its entire key staff during this period until late 2008 when the HROD Manager and HR Officer were finally recruited. Between the Country Director and the Theme Leader -Governance, successfully recruited almost all vacant posts, a big achievement in the absence of the functional staff. However much of the longer term work related to the organizational objectives may remain outstanding.

Considering the high entry of newcomers, AAV has also instituted timely induction an ongoing priority to better align staff to AAV mission and culture. Finally AAV had earlier invested significant resources in developing a staff competency framework which could be better adapted for use in performance management and new staff recruitment. The high rate of inflation witnessed by Vietnam in recent years has been also noticed as an alert to maintain the salary scale however it has been also affected.

AAV also extended the support to other country program by sending two staffs to AA Myanmar and AA Secretariat at Johannesburg on secondment. Besides,

settling a representative office in the Central Highland, in Daklak in particularly was a big achievement as well. In generally, the work environment in AAV was reported as being good, friendly whilst enabling staff independence, empowerment and self accountability.

## 7.1 Staff capacity development

Several rounds of trainings on rights based approach, women rights/ gender, HIV and WTO were held with some regularity during this phase of the strategy. Some of these trainings were also extended to the partner organizations. Several rounds of induction were also said to have been held for new staff.

However, it has been noticed that though trainings had been held staff efficiency was not visible. The high turnover of staff had affected organizational capacity in a significant way.

## 7.2 Suggestions for Improvement

1. Strengthen the HROD team's understanding of AAV mission and work approach and culture to enable organizational fit and alignment.
2. Conduct regular induction processes ensuring coverage of all new staff within 3 months of their employment.
3. Review the performance management system and take actions to rectify its current weaknesses. The competency framework should also be adapted and utilized in this process.
4. Revise the existing HROD Policy within the year.



## **Section 8.** Financial performance Year 2008

### **8.1 Financial performance in general:**

The financial crisis from late 2008 up to now has made negative impact on ActionAid Vietnam (AAV) due to deflation of Pound Sterling. However, AAV's 2008 financial performance is not far from the forecast since budgets and plans are the key instruments for managing and controlling. The adverse effect of exchange rate on income and expenditure can be summarized in the tables below:

**Table 1**

<b>Income 2008 (figures in '000)</b>	<b>Plan GBP</b>	<b>In VND at plan rate</b>	<b>In VND at actual rate</b>	<b>Deficit VND</b>	<b>Deficit GBP</b>
CS & Big step	1,753	57,147,800	53,180,761	3,967,039	131
Next step & Amico	315	10,269,000	9,556,155	712,845	23
Partnership - official	588	19,168,800	17,838,156	1,330,644	44
Partnership – other	268	8,736,800	8,130,316	606,484	20
<b>Total</b>	<b>2,924</b>	<b>95,322,400</b>	<b>88,705,388</b>	<b>6,617,012</b>	<b>218</b>

*Plan rate 32,600. Actual average rate for 2008 is 30,337VND*

The rate used for plan and forecast is 32,600VND while actual average rate is 30,337VND causing the increase in expenditure of 241,000GBP (7%) for reporting as shown in table 2 and deficit in income realization of 218,000GBP in table 1.

**Table 2**

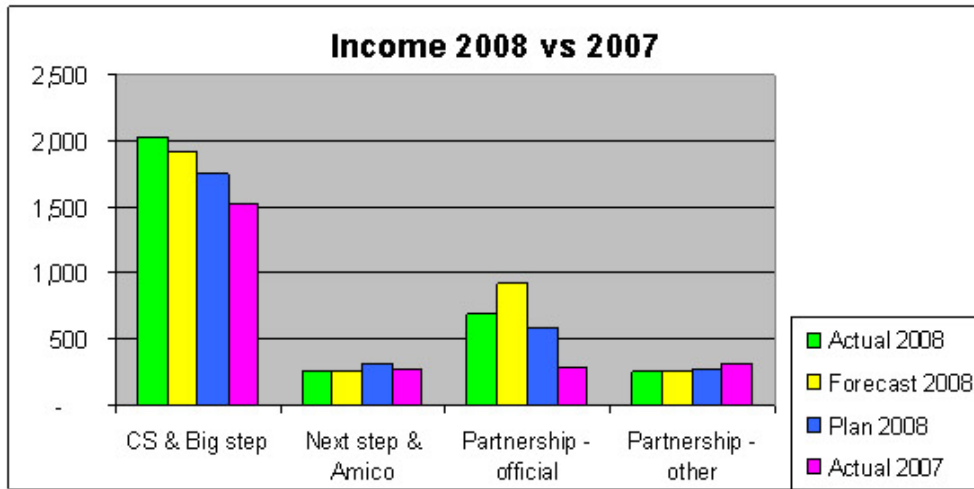
<b>Expenditure 2008 (figures in '000)</b>	<b>Plan VND</b>	<b>GBP at plan rate</b>	<b>GBP at actual rate</b>	<b>Increase in GBP</b>
DAs	45,998,600	1,411	1,516	105
Projects	39,902,400	1,224	1,315	91
Themes/national initiatives	13,855,000	425	457	32
Sponsorship & fund raising cost	5,444,200	167	179	12
<b>Total</b>	<b>105,200,200</b>	<b>3,227</b>	<b>3,468</b>	<b>241</b>

*Plan rate 32,600, Actual average rate for 2008 30,337VND*

Exchange loss in local currency is VND1.147mil equivalent to GBP45,000 at the year end rate of 25,625 while exchange gain in reporting currency is GBP94,000.

Taking into account of unpredictable exchange rate fluctuation, some strict measures have been taken to control the cost during this abnormal time by 15% reduction of cost at all levels for the year 2009.

**8.2. Income:** Total AAV income is not much different from the forecast but there has been a leap in income from GBP2.4 mil last year to GBP3.2 mil this year (136%). The realisation of income in 2008 in comparison with forecast, plan and actual 2007 is illustrated as follows:



• **Regular Giving Income**

Regular giving income including flexible fund remains stable over the two years and gradually increases from GBP1.8 mil in 2007 to GBP2.3 mil in 2008 (128%). The over realization of child sponsorship income (106%) is because of the fact that AAV has enjoyed higher rate when converting the remittance to local currency during the period from beginning to middle of the year.

Income source from Italy is still the highest proportion of total income (34%) regardless of emergence of new product (Big step) which has made CS income a little bit lower than 2007. Subsequent to Italy are UK and Spain which account for 23% and 20% respectively.

The significant rise of Greece CS income from 65k GBP in 2007 to 251k GBP in 2008 (385%) is huge increase in number of child links in 2008 (1,500 links).

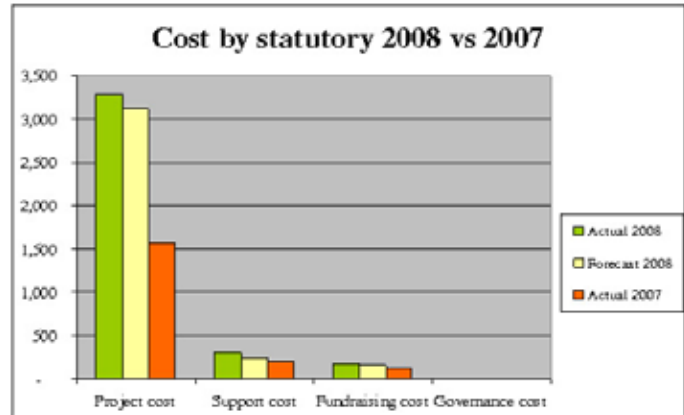
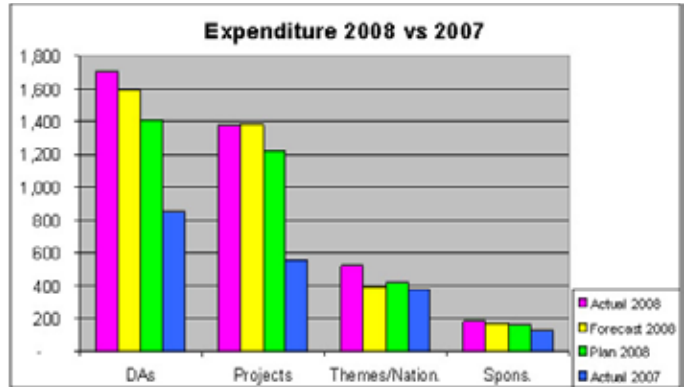
Income from both Spain and Ireland has increased 47% by comparison with those last year while new source from Sweden is very promissory.

• **Partnership Income**

Partnership income (952k) is 29% of total income which is nearly the same with CSP's target (30%) even below forecast (81%) but 159% as compared to its in 2007. Out of the under this realization, partnership official reaches 75% only due to the Global Fund proposal that we planned for 2008, but Eol is now still under assessment and result hasn't been announced yet.

Increase in official (242%) while decrease in other partnership income even though partnership other fully reaches the target in 2008 can be explained by the fact that the major donor/individual/ and corporate sector re-focus their activities. It's true that in 2008 we receive fewer calls for proposal from our colleagues in FA (only the one for Koko/ Soctrang which we had successfully raised fund from).

The following charts show AAV expenditure spent in 2008 vs 2007.



**8.3. Expenditure:** Total expenditure of AAV in 2008 is GBP3.8 mil, increasing 7% as compared to forecast (GBP3.5 mil). This 7% difference is almost Pound deflation as mentioned above while it is excessively utilized, 118% compared to budget.

The overspending of project costs (5%) can be purely seen as the devaluation of Pound. Fundraising cost (15%) in which 10% is overspent at DA level. Main reasons for over utilization of support cost (29%) against forecast are as follows: Increase of recruitment cost (409%) due to high turn-over rate of staff



during the year and increase of related expenses such as training, induction, travel, etc. as a result;

- a) RBA training for the entire of AAV staff and staff retreat (210%);
- b) SUN system annual maintenance fee;
- c) New purchase of Switch board to replace the outdated one for AAV;
- d) CSP Mid term review (14k) which was not in the plan and;
- e) Exchange rate difference.

Despite over spending of support cost, the proportion of project cost has increased 5% from 82% in 2007 to 87% in 2008 showing AAV's effort to reduce support cost by 3% and fundraising cost by 2%.

Fundraising costs represent only 5% of total costs which can be seen as achievement of CP by revising cost norms for sponsorship work to cope with the change in the market.

Category	Amount 000GBP		Percentage	
	2008	2007	2008	2007
Project cost	3,289	1,569	87%	82%
Support cost	311	203	8%	11%
Fundraising cost	185	131	5%	7%
Governance cost	10	4	0%	0%
<b>Total expenditure</b>	<b>3,795</b>	<b>1,907</b>	<b>100%</b>	<b>100%</b>

With regards to themes spending, education and food security are the two most excessively utilized against plan: 148% and 146% respectively. Main grounds for these variances are:

- a) Some projects such as ECHO2, DIPECHO under food security have not yet been determined at the time of planning.
- b) Irish Aid projects under WR and education have different fiscal year from AAV (from July to June);

c) AAV is moving towards achieving a thematic program structure as per the CSP.

When excluding the grants to partner, the largest deviation is 8%.

The reason of mismatching between income growth rate (36%) and expenditure (99%) is that AAV wanted to maintain the reserves at appropriate level which was recorded ever high in prior years.

**8.4. Reserves:** It is the weakening of Pound that has both side effects on AAV in terms of income receipt and spending. Total reserves at the year end are recorded at GBP831k, out of GBP831k, 38% are from DAs and un-spent partnership income is GBP302k. Negative closing reserves from One Foundation will be balanced when we receive remains from the donor. Country level reserve of 211k is rather close to the forecast (252k) is resulting of over utilization of themes' grants, subsidy of some projects exchange rate loss (Preschool building in DA14, Microfinance of McKnight Foundation, and road building in DA8). In addition to reserves control by timely updating of financial information, exchange rate management will be focused to take action when and where necessary.

**8.5. Management Accounts:** AAV finance has been producing monthly Management Accounts to be distributed to relevant budget holders. Reserves information (brief Table E) was delivered monthly to related stakeholders and highlighted issues (high reserve)

were also discussed in management meeting (every two months). With the advantage of Vision 6, reporting format for management accounts will be improved to incorporate other aspects of financial performance e.g. Income analysis, Reserve Analysis and other items of Assets and Liabilities rather than information of expenditure and budget utilization and variance analysis at the functional level and partner level.

**8.6. ALPS:** Practical Guideline" for finance staff in participating ALPS processes such as DA appraisal and PRRP are already in place. And it is a must that every finance staff has to at least to take part in one PRRP in a year. When we adopt a decentralised accounting system, it requires the financial statements and budget works from DA levels to be sent to AAV national levels for consolidation. The consolidation process is time consuming and errors can occur more easily than that of a centralised system. These shortcomings will be enhanced when AAV implements MIS for planning and budgeting in 2009. This application promises to reduce risk of inaccuracy and timeliness when budgeting and consolidating excel files from DAs.

Sharing of financial information amongst staff and partners will soon become more rapid and effective by launching AAV's management information system (MIS) in 2009. It is great achievement of AAV's management team if MIS can integrate both program information and financial information.

**8.7. Audit:** In line with CSP with the ambitious plans for expansion, internal audit function has been set up in October 2008. Audit manual will be publicized soon to ease the planning and execution of audit. With the audit function in place, all recommendations from auditors will be closely monitored and followed up. Audit recommendation is a part of discussion in management meetings. The feedback mechanism for implementation of the audit recommendations are focused on to avoid the recurrences in the future.

Some external audits have been carried out during the year 2008 for AAV and some projects like One Foundation and Lao project. Recommendations from external auditor mostly relate to DAS' compliance with AAV's financial policy such as monthly bank/cash reconciliation, VAT refund. Together with external audit, AAV internal audit has been carried out in December 2008 which is on the status of updating will be added value to the CP.

**8.8. Headcount number and other issues:** Total AAV staff in 2007 was 52, 13 new staffs have been recruited during 2008. Most of them are for new projects, e.g DIPECHO project (3), ECHO2 project (3), DANIDA project (3) and 1 HROD manager, 1 program officer and 2 support officers for CD and Program manager. 13 people have left the organization during the year which resulted in gaps in some units especially in Finance department with the leaving of two key persons: HoF and senior finance officer in late 2008.

## **Main achievements of Finance function in 2008**

Almost finance's objectives have been achieved during 2008 of which new partners' reporting formats which are in line with CSP 4 have been recognized as one of the most successful targets. This will enable us to easily reconcile figures/reports between the two systems: SUN and partners'. Apart from the above, cross financial monitoring for partner accountant to build capacity was also enhanced and new FPPM has been introduced and applied consistently through out AAV.

## **Conclusion:**

The burgeoning financial crisis that came to a dramatic head in September 2008 after more than a year of volatile food, energy and commodity prices compound a series of shocks already being felt around the world. There is no exception for Vietnam. It seems that the year of 2008 is also the challenges time in the 20 year of AAV in Vietnam when the organization has to witness the weakness of GBP, the cutting down of budget and the turnover of many key staffs, etc. But passing over many obstacles, AAV still achieve success in realizing its priorities on eradicating injustice and poverty. It is now the time for AAV to commit for a social protection, investments in long – term food security and addressing the threat of irreversible climate change. The time has arrived for the international community, especially INGOs like AAV to live up to the commitments made to the poor to ensure that their needs are not forgotten and their voices are heard.

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