Implementation Status & Results
Vietnam
VN Strengthening Procurement Audit (P120425)

Operation Name: VN Strengthening Procurement Audit (P120425)  Project Stage: Implementation  Seq.No: 2  Status: ARCHIVED  Archive Date: 12-Nov-2012

Country: Vietnam  Approval FY: 2010
Product Line: Institutional Development Fund  Region: EAST ASIA AND PACIFIC  Lending Instrument: 
Implementing Agency(ies): Public Procurement Agency

Key Dates
Board Approval Date 23-Mar-2010  Original Closing Date 19-Aug-2013  Planned Mid Term Review Date
Effectiveness Date 19-Aug-2010  Revised Closing Date 19-Aug-2013  Actual Mid Term Review Date
Last Archived ISR Date 27-Sep-2011

Project Development Objectives
Project Development Objective (from IDF Proposal)
The Development Objective of the proposed Grant is to increase transparency and accountability in public procurement in Vietnam through:

Strengthening the procurement audit function in the Public Procurement Agency, Ministry of Planning and Investment (PPA/MPI) and other audit institutions by developing national standards for procurement auditing, preparing a procurement audit manual and developing a sustainable procurement audit training program

Benchmarking the current legal framework for public procurement using the OECD/DAC Procurement Baseline Information System (BIS) Tool and disseminating the new procurement related laws and decrees; and

External evaluation of the Government's pilot e-Government Procurement System and making recommendations for configuring the system to comply with MDB requirements; and assist Government draft regulatory documents and technical guidelines to scale up the e-Government Procurement pilot nationwide

Has the Project Development Objective been changed since Board Approval of the Project?
○ Yes  ○ No

Component(s)

Component Name  Component Cost
Part I. Strengthening of Procurement Audit Function 0.00
Part II. Update the Assessment of the Recipient's Procurement System 0.00
Part III. External Assessment of the Pilot e-GP System for Compliance with MDB Requirements 0.00
Project Audit 0.00

Overall Ratings

Progress towards achievement of PDO  Moderately Satisfactory  Satisfactory
Overall Implementation Progress (IP)  Moderately Satisfactory  Satisfactory
Implementation Status Overview

With some initial delays, the project is now on the right track. The procurement work (i.e., selection of consultants) is largely completed and will be fully completed very soon with two more contract awards for which the consultant selection process is completed. The training and study tour activities will be fully completed when the overseas study tour will take place in March/April 2013. As of October 15, 2012, $123,392 or 62% of the total grant ($200,000) was disbursed.

A procurement ex-post review was carried out in July 2012 for the contracts below the threshold awarded during the period from July 1, 2010 to December 31, 2011. The review covered all the three individual consultant contracts as reported by PMU. In general, the procurement procedures conducted for those contracts followed the procurement regulations stipulated in the Legal Agreement and the Procurement Plan. The PMU was recommended to properly record in the evaluation report the due diligence on checking the eligibility and conflict of interest; and to improve its filing system.

A FM supervision took place in October 2012. The report is attached to this ISR. A letter with recommendations was sent to the PPA.

The Grant Agreement was amended in July 2012 upon Recipient's request; specifically, the Part 3 was revised as follows, together with a minor reallocation ($3,000 from the Category of Training and Workshops to the Category of Consultant's Services):

ORIGINAL PROVISION:
Part 3. External Assessment of the Pilot e-GP System for Compliance with MDB Requirements
(a) Support study tours for staff of relevant institutions to evaluate the Pilot e-Government Procurement System (e-GP System) and to learn from similar international experiences.
(b) Carry out an external assessment of e-GP System for the purpose of determining its suitability for use in multilateral development banks (MDBs) financed projects.

REVISED PROVISION:
Part 3. Establishment of a National Strategy and Roadmap for E-Procurement
(a) Establishment of a national strategy and roadmap for e-procurement.
(b) Support study tours for staff of relevant institutions to learn from similar international experiences.

The above amendment neither affected the definition of the PDO of the IDF, nor affected the financing plan and total amount of resources required for project implementation. It was to address the need for setting up an institutional and policy framework for further development of the e-procurement system in Vietnam. As a result of the intensive discussions with the Bank in February 2011 and the attendance of PPA at the learning series on e-Procurement organized through the Global Distance Learning Network (GDLN) from April to June 2011, the PPA realized that they were not yet sufficiently advanced in their e-procurement system to have it assessed against the MDB criteria. They also realized that to achieve their objectives, a national strategy and road map is necessary to guide the further implementation and development of an e-procurement system. In July 2011, PPA sent an unofficial proposal to change the descriptions of Part 3 and this proposal was agreed in principle by the Bank. As this entails a legal amendment to the Grant Agreement, a formal request from the Recipient is required. However, the Bank did not receive the request from SBV until the end of June 2012. Thus the amendment was delayed. However, the delayed amendment does not seem to have had adverse effect on the implementation of the Part 3. The Bank has already cleared the consultant selection for the development of national strategy and roadmap; and the assignment expects to be completed by end of 2012. The study tour was completed recently.

Locations
No Location data has been entered

Results

Indicators
<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
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</thead>
<tbody>
<tr>
<td>Sustainable system for assessing procurement compliance and performance by procuring entities established</td>
<td></td>
<td>Text</td>
<td>Value None</td>
<td>Selection of consultant in progress. Study tour proposed.</td>
<td>Procurement Audit Manual issued and 100 Procurement Auditors trained</td>
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<td>31-Mar-2010</td>
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<tr>
<td>Comments</td>
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<td></td>
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<tr>
<td>Legal Framework for Public Procurement benchmarked against international standards</td>
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<td>Text</td>
<td>Value 2007 BIS Assessment Report issued</td>
<td>TOR for consultants being drafted</td>
<td>2011 BIS Assessment Report issued</td>
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<tr>
<td>National strategy and roadmap for e-procurement</td>
<td></td>
<td>Text</td>
<td>Value None</td>
<td>TOR agreed by the Bank and an international consultant selected. Overseas eGP study tour completed.</td>
<td>A national strategy and roadmap established for e-procurement.</td>
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**Data on Financial Performance (as of 09-Oct-2012)**

**Financial Agreement(s) Key Dates**

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<th>Project</th>
<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Original Closing Date</th>
<th>Revised Closing Date</th>
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**Disbursements**

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<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Currency</th>
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<th>Disbursed</th>
<th>Undisbursed</th>
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<tr>
<td>P120425</td>
<td>TF-96622</td>
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<td>0.12</td>
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**Disbursement Graph**
Key Decisions Regarding Implementation
N/A

Restructuring History
There has been no restructuring to date.

Related Projects
There are no related projects.