The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI)

Measuring Citizens’ Experiences

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Outline of Presentation

• Background and context
• What is PAPI and why PAPI?
• Methodology
• The PAPI dashboard - components
  – Performance – examples from individual dimensions
• Control of corruption and sector level findings
• Lessons learned
The Context of Viet Nam (1)

- A single-party ruled socialist country => inevitable broad coverage of the public sector (or ‘the state sector’)

- Public sector taking a large proportion of total employment and state budget
  - Almost 5 million people, equivalent to 10% of Vietnam’s workforce classified as state employees, with education taking up 32%, public administration 3%, and health & social work 7.7% (Viet Nam Labour Force Survey, 2009)
  - State budget for the public sector in 2010: “38%, but “roller coaster” type in last decade (excluding national defense, security and special sectors) (MoF, 2010)

- New development stage: Transition towards a middle-income country
  - GDP income per capita in 2010: ~1,200USD (GSO Vietnam 2010)
  - GDP per capital, US$ at PPP in 2010: 3,150US$ (Economic Intelligence Unit, 2011)

The Context in Viet Nam (2)

- Looking forward to new development stage
  - Governance implications as middle-income country and transition towards higher human development levels

- Governance implications at new income-levels
  - Development of institutions and processes that are more responsive to the needs of ordinary citizens, including the poor.
  - Lagging behind internationally recognized governance indicators including Worldwide Governance Indicators (WGI), Corruption Perceptions Index (CPI), Global Competitiveness Report (GCR)…

- Monitoring PAR challenges is key to detect change
  - Incremental steps for shaping the public administration into a representative, responsive institution, seen as an essential bridge between government and society.
  - Shift towards monitoring of performance – oversight role of National Assembly, mass organizations, users of public services
Changes in Government Effectiveness, 1998-2008

Changes were calculated on the basis of the differences in country estimates from 1998 and 2008. Classification for major deteriorations and improvements were based on 75% confidence interval. Source for data: 'Governance Matters VIII: Governance Indicators for 1996-2008', by D. Kaufmann, A. Kraay and M. Mastruzzi, June 2009 - www.govindicators.org

Changes in Control of Corruption, 1998-2008

Changes were calculated on the basis of the differences in country estimates from 1998 and 2008. Classification for major deteriorations and improvements were based on 75% confidence interval. Source for data: 'Governance Matters VIII: Governance Indicators for 1996-2008', by D. Kaufmann, A. Kraay and M. Mastruzzi, June 2009 - www.govindicators.org
“Reforming Public Administration in Viet Nam: Current Situation and Recommendations”

Output = a joint publication by UNDP, CECODES and VFF, published by the National Politics Publishing House on key strategic issues:

• Addressing Governance and Public Administration Reforms Effectively
• Public Administration and Economic Development
• Public Financial Management
• Civil Service Reform
• Government Organization Structure
• Institutional Reform for Public Administration
• Corruption and Public Administration Reform

“... the challenge for the next stage of public administration reforms in Viet Nam is to move towards modernizing the public sector by strengthening the public sector’s responsibilities in implementation of policies and ensuring a more active monitoring role for non-State actors in the evaluation of public administration performance” p.40

What is PAPI?

• A policy tool that complements, supports and enhances ongoing GoV efforts in “building a democratic, strong, clean, professionalized, modernized, effective and efficient public administration system... able to respond to the requirements of the cause of national building and development”.

• Policy diagnostics instrument that in the short and long-term supports evidence-based policy making processes in Viet Nam, including:
  – Public officials / authorities are provided with a tool for monitoring governance and performance in provision of public administrative services
  – Evidence-based policy making: data empowers official reformists
  – Monitoring creates incentives for competition → reform will follow
  – The voice of the people is raised: public officials / authorities can learn about citizen’s preferences, frustrations and recommendations
  – By way of having discussions on research findings and survey results with the provinces, people will be empowered and given the sense that they are listened
  – Data available for different stakeholders: supports planning and analysis
PAPI = A Governance and Public Administration Performance Assessment

• Features
  – A diagnostics tool that collects evidence and data at provincial level but can aggregate at national level
  – PAPI is about the experiences of users of governance and public administration
  – Covers six dimensions:
    * Participation
    * Transparency
    * Vertical Accountability
    * Anti-Corruption
    * Admin. Procedures
    * Public Services
  – Incremental approach: pilot carried out in 2009 in three provinces (Phu Tho, Da Nang and Dong Thap), increased to 30 provinces in 2010 and 63 provinces from 2011.

• Strengths
  – Large sample: Nationwide survey (2010 ~ n=5,500; 2011 onwards n=13,500 following strict random selection)
  – Comparisons between provinces and across time
  – Complements views of government self-assessments and businesses (i.e. PCI) at provincial level
  – Reliable implementers: Vietnam Fatherland Front (VFF), Center for Community Support Development Studies (CECODES) and UNDP.

Why PAPI?

- **Raises people’s voice**: The government can learn about citizen’s preferences and frustrations.
- **Empowers people** and gives them the sense that they are listened by way of discussing findings with the provinces.
- **Provides authorities** a tool for monitoring performance
- **Creates incentive** for competition between provinces (to be ranked as the best performer in public administration for instance). Incentives for reforms will follow.
- **Enables evidence-based policy making**: technocratic data empowers official reformists and technocrats.
- **Data available** from such a nation-wide undertaking will be a gold mine for social scientists.
Monitoring performance of the public sector as policy tool for reform

PAPI's multidimensional assessment

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Sub-dimensions</th>
<th>Key performance areas under assessment</th>
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</thead>
<tbody>
<tr>
<td>D1. Participation at local levels</td>
<td>- Civic Knowledge</td>
<td>Mechanisms for citizens to take part in governance and public administration processes</td>
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<tr>
<td></td>
<td>- Opportunities for Participation</td>
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<td></td>
<td>- Elections Quality</td>
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<td>- Voluntary Contributions</td>
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<td>D2. Transparency</td>
<td>- List of poor households</td>
<td>Flow of timely and reliable information (of economic, social and public nature) about government services provision</td>
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<td>- Commune's budgets</td>
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<td>- Land use plans</td>
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<td>D3. Vertical accountability (citizens monitoring)</td>
<td>- Interactions with local authorities</td>
<td>The extent to which those who act on behalf of the people are answerable for what they do</td>
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<td>- People's Inspections Boards</td>
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<td>- Community Investment Supervision Boards</td>
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<td>D4. Control of corruption</td>
<td>- Limits on Public Sector Corruption</td>
<td>Extent of corruption; as well as citizen's motivation in denouncing corruption and their fears of discrimination</td>
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<td>- Limits on Corruption in Public Service Delivery</td>
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<td>- Equity in Public Employment</td>
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<td>- Willingness to Fight Corruption</td>
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<td>D5. Public administrative procedures</td>
<td>- Public Notary Services</td>
<td>Implementation and performance of selected but relevant administrative provinces in terms of intensity of use and efficiency of services rendered</td>
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<td>- Procedures for Construction Permits</td>
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<td>- Procedures for Land Use Rights Certificates</td>
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<td>D6. Public service delivery</td>
<td>- Public Health Care</td>
<td>Public services (i.e. health care, education, water supply and citizens' safety) being provided at local levels</td>
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<td>- Public Primary Education</td>
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<td>- Infrastructure</td>
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<td>- Law and Order</td>
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PAPI's multidimensional dashboard - components

- Participation/Elections
- Transparency
- Downward Accountability
- Control of Corruption
- Administrative Procedures
- Public Service Delivery

Zero
- Kon Tum
- Lai Chau
- Dien Bien
- Dak Lak
- Yen Bai

Quang Tri
- Cao Bang
- Hung Yen
- Kien Giang
- Nam Dinh
- Lang Son

Ha Noi
- Ha Nam
- Tien Giang
- Bac Giang
- Vinh Long
- Phu Tho

Hai Phong
- Hau Giang
- Dong Nai
- Hai Duong
- Binh Phuoc
- Ha Tinh

Phu yen
- Ca Mau
- TT-Hue
- Da Nang
- Long An
- Binh Dinh

HCMC
- Perfect

PAPI – Composite Index (by dimensions) - Unweighted
Dimension 4 - Control of corruption

- Dimension 4: Control of Corruption
  - Limits on Public Sector Corruption
  - Limits on Public Service Delivery Corruption
  - Equity in Employment
  - Willingness to fight corruption
- Top 8 and 12 of top 15 are south provinces
- Dimension with highest variance
- Large differences in scores between the low and the high performers (HCM 6.3 points vs Kon Tum’s 3.4 points)

  - Equity in employment in the public sector at the grassroots level tends to be most problematic and to vary greatly between provinces.
  - How serious is your provincial government in dealing with corruption?
    - 31% not serious, 29% serious, 37% don’t know

Dimension 5. Administrative Procedures
Dimension 6. Public Services

- Dimension 6: Public Services
  - Public Health
  - Public Primary Education
  - Basic Infrastructure
  - Law and Order [Residential Safety]
- Large differences in subdimensions
- No regional pattern to be noticed
- Provinces similar in terms of economic and geographical conditions can perform significantly differently (i.e. Northern mountainous provinces)
- Big cities tend to perform better; others tend to perform lower mainly due to poorer infrastructure

For example: Overall 28% of all respondents from all 30 provinces said they had to pay bribes at public hospitals
Composite PAPI 2010
(un-weighted 90% Confidence Intervals)

Bribes at Public Notary and Hospitals
(Range bars represent 95% Confidence Intervals; Diamonds represent the mean number of activities for respondents receiving Form A; Triangles represent mean values for respondents receiving Form B.)
Experience with Petty Corruption in the Public Sector
*(Branch Size= % of respondents who claim type DOES NOT take place; Perfect =100%)*

- No Diversion of Public Funds
- No Bribes for Land Title
- No Bribes for Construction

- Most common forms of petty corruption: extra payment to receive construction permits...
- The bigger the star graph, the less corruption
- 73% in HCMC and 67% in Binh Dinh deny diversion of public funds

Experience with Petty Corruption in Accessing Public Services
*(Branch Size= % of respondents who claim type DOES NOT take place; Perfect =100%)*

- No Bribes at Hospital
- No Misuse of Education Fees
- No Informal Payment in Education
- No Bribes to Teachers

At the national level:
- 52.4% of respondents disagree with the notion that teachers favour students whose parents give them bribes,
- 38.8% of respondents claim that informal payments to primary education institutions are uncommon,
- 56.8% say paying bribes to teachers is not common, and
- 39% deny paying bribes at hospitals.
Equity in Employment: Need for Relationships by Job Type & Province

(Branch Size= % of respondents who claim relationship or bribe is NOT necessary)

- Throughout the country only 33% of respondents denied the importance of bribes.
- In some provinces, bribes for public sector jobs were deemed critically important, with only 5% of respondents denying it.

Citizens' Assessment of District Public Hospitals

- Confirms public observation that patients have to share beds at public hospitals within districts.
- Healthcare expenses in district hospitals and waiting times are not reasonable and the quality of sick-rooms remains poor.
Citizens' Assessment of Public Primary Schools

- Brick Walls
- Clean Toilets
- Less than 40 Students
- Less than 3 shifts
- No Informal Payments
- No Bribes to Teachers
- No Favoritism
- Teacher Quality

- Zero
- Da Nang
- Kien Giang
- Tien Giang
- Hai Duong
- Bac Giang
- TT-Hue
- Quang Tri
- Ha Noi
- Dak Lak
- Ha Tinh
- Dien Bien
- Lai Chau
- Hai Phong
- Kon Tum
- Cao Bang
- Hung Yen
- Nam Dinh
- Yen Bai
- Lang Son
- HCMC
- Hau Giang
- Phu Yen
- Ca Mau
- Ha Nam
- Dong Nai
- Vinh Long
- Binh Dinh
- Long An
- Phu Tho
- Binh Phuoc
- Perfect

- Large variations in performance
- Infrastructure of public primary schools and quality of teachers generally good.
- However, teachers tend to favor school children participating in extra classes, and classes remain crowded in general.
- Also, problems of informal payments and bribery to teachers

Equity in Employment: Need for Relationships by Job Type

- In general, relationships appear to be critically important for obtaining high prestige and stable public sector employment.
- Only about 18% to 19% of respondents deny its importance for all positions.
- Exception is for teachers, where 24.1% of respondents deny the need for relationship to get a job in this sector.
Citizens’ level vs businesses’ level corruption  
PAPI 2010 vs PCI 2009 corruption measures

- Positive correlation (0.30) but NOT statistically significant.
- Some provinces, especially those in the Mekong Delta and Binh Dinh perform well in both indices, but in other cases substantial variation is noted.
- Da Nang rate corruption much worse than business, while the opposite is true in HCMC and Binh Phuoc.

Size of Bribe Required Necessitating Formal Action

How much corruption are individual citizens’ willing to endure before taking formal action with a local inspectorate across the country?

- Very little difference between tolerance for bribes demanded by the policeman or the commune official.
- Citizens, on average, appear to tolerate bribes up to about 100,000 VND (~ 5 usd) from both actors, where only 30% of respondents are willing to appeal.
- A large jump takes place between 100,000 and 500,000 VND (~ 25 usd), where the proportion of respondents willing to appeal doubles.
- At 10 million VND (~ 500 usd), however, there are still 10% who cannot bring themselves to appeal a corrupt act.
**Relationship between Denunciation Price and Crime**

- Strong and positive correlation between denunciation prices for police officers and crime rates.
- The more tolerant a citizen is of police corruption, the higher the amount of crimes experienced by PAPI respondents in that province.
- A less strong but similar relationship is found between denunciation price and perceived safety on the part of citizens.
- The higher the denunciation price, the less safe citizens feel.

**Is economic status (GDP/head) relevant?**

Provinces don’t need to be wealthy to perform well.

Phu Tho, TT-Hue, Long An, Phu Yen, Binh Dinh seem to perform better than other with similar GDP per capita.

Kon Tum performs much lower that other provinces with similar economic status (i.e. Dien Bien, Cao Bang, Ha Tinh).
Governance and PA for Human Development

PAPI strongly associated with overall Human Development Index ($r=0.6799^{**}$).

Overall provinces with higher levels of performance in PAPI also tend to have higher human development levels.

Human Development Index (HDI) 2008

Associations between PAPI’s dimensions and the HDI at the provincial level

Provinces with higher levels of performance in terms of public service provision have higher scores in terms of overall human development.

Correlation is statistically significant at the 99% confidence level ($r=0.6262$).
Final reflections – implications and potential uses

- Scientific nature and robustness of implementation reflects accurately experiences (or awareness and feedback) of citizens
- PAPI as a reference for provinces as it reflects the reform efforts in the process to improve the quality and availability of governance and public administration
- Provincial authorities can see their strengths and weaknesses as well as causes, so that they can find practical solutions to improving the performance of the public administration system
- Objective information → supports policy making, implementation and monitoring processes at national and provincial levels
- Ongoing and increasing demand from government agencies and provincial authorities for data and implications. i.e. Government Inspectorate and OSCAC using PAPI data for corruption control related policy discussions

Policy implications – official/governmental “voices” on PAPI and its added value

“Findings from the PAPI research are a reference source that complements assessments from the Government. The Justice Committee of the National Assembly wishes to receive annually the results from PAPI as inputs for discussion at the National Assembly sessions and for reference to the Annual Report of the National Assembly. The findings from this research can be used as sources of evidence to assess the performance of provincial government leadership.”

Mdme. Lê Thị Nga, Vice Chairwoman, Justice Committee of the National Assembly

“PAPI findings provide an important channel of evidence drawn from citizens’ experiences that contribute to reflecting the performance of public administration at the provincial level. In parallel with annual government assessment of the Public Administration Reform Master Programme conducted by the Ministry of Home Affairs and provincial Departments of Home Affairs, I hope PAPI research will be conducted on an annual basis, so as to contribute to effective implementation of the Public Administration Reform Master Programme for the period from 2011-2020.”

Mr. Nguyễn Tiến Đỉnh, Vice Minister, Ministry of Home Affairs

“The assessments and findings from the PAPI research regarding Hau Giang province’s performance are very valid. They will help us in public administration reform efforts. The Report helps to understand better our provincial problems in order to find solutions. We will take the findings seriously as they reflect the reality of the province.”

Mr. Vũ Minh Tâm, Standing Member of the Provincial Party Committee, Head of Office, Hau Giang Provincial People’s Committee
Thank you very much!

• Citation: CECODES, VFF and UNDP (2011). The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI): Measuring citizens’ experiences. Hanoi

www.papi.vn

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Example of PAPI’s Control of Corruption (Dimension 4) Construction

**Dimension 4: Control of Corruption**

**Sub-dimension 1: Public Officials**
- Diversion of State Funds
- Bribe for Construction Permits
- Bribe for LURCs

**Sub-dimension 2: Public Services**
- Bribe at Notary
- Bribe at Hospital
- Bribe for LURCs
- Extra Educational Funds

**Sub-dimension 3: Employment Equity in State Agencies**
- Bribe to Teachers
- Bribe for Employment
- Nepotism for Employment

**Sub-dimension 4: Willingness to Fight Corruption**
- Serious about Corruption Fight
- Denunciation Used

*Example of PAPI’s Control of Corruption (Dimension 4) Construction*