

**Department of Finance  
Cao Bang Province**

**A PS-ARD's report of the assessment of  
using the Commune Development Fund  
in 2008**



*March 2009*

**A report on the assessment of using the Commune Development Fund (CDF) in Quang uyen and Nguyen Binh districts, Cao Bang province**

## 1. Overview

<b>Sponsor</b>	Swiss Development Cooperation (SDC)
<b>Presiding agency</b>	The Department of Finance in Cao Bang
<b>Supporting agencies</b>	Supporting Public Administration Reform in Cao Bang Project - The Project Support Unit (SPAR-CB PSU)

	<b>Quang Uyen</b>	<b>Nguyen Binh</b>
Total CDF received by communes since November, 2008	<b>1.060.000.000 VND</b>	<b>1.049.970.300 VND</b>
Total fund disbursed at the time of evaluation	<b>918.906.000 VND</b>	<b>950.637.950 VND</b>
Infrastructure activities	<b>371.500.000 VND</b>	<b>431.692.400 VND</b>
1. Rural traffic roads	4	7
2. Small irrigation (canals, dams, drainages)	23	9
3. Water pumping machines	1	0
4. Clean water projects	1	0
4. Clean water projects	2	5
5. Electrical wires	0	1
Activities on improvement of production conditions	<b>494.406.000 VND</b>	<b>471.385.600 VND</b>
1. Fertilizers support	6	2
2. Maize and rice seeds support	3	2
3. Poultry support	1	1
4. Pig breeds support	5	4
5. Cattle support	1	2
6. Training	10	42
7. Agriculture machinery/Maize ovens support	2	2
8. Forestry seeds support	0	1
Activities of women groups: - Raising sows - Raising ducks - Growing new varieties of rice/ maize - Applying fertilizers to increase the production	<b>1.167 female</b>	<b>374 female</b>
Number of beneficiaries of infrastructure activities	<b>1.333 households</b>	<b>785 households</b>
Number of beneficiaries of production improvement activities	<b>1.781 households (1.380 poor households)</b>	<b>964 households (867 poor households)</b>

\* **Note:** The final data of 2 districts implemented in 2008 are updated in the appendix 2.

## 2. Rationale

The Public Service Provision Improvement Program in Agriculture and Rural Development (PSARD) in the period 2008-2010 aims at contributing to the establishment of systems and procedures to provide public services in agriculture and rural development at various levels effectively and efficiently. PS-ARD in Cao Bang is a complementary project (2007- 2010) to the Supporting Public Administration Reform in Cao Bang Project (SPAR-CB). The fourth activity line of PS-ARD focuses on *enhancing the system and the capacity of commune financial management*.

In July 2008 Cao Bang's Department of Finance issued the *Guidelines on Integrated and Transparent Financial Management at Commune level* and the *Guidelines for the Procedures of Commune Development Funds* (CDF). Later the Department of Finance coordinated with the District Finance Offices in Quang Uyen and Nguyen Binh to organize training courses for enhancing the financial management capacity and guiding the use of Commune Development Funds by commune staff. At the beginning of November 2008 20 communes in the two districts which met the criteria for budget disbursement outlined in the *Procedure for Commune Development Funds* had CDFs transferred to their bank accounts opened at the District Agriculture and Rural Development Bank according to the cost norms and the budget estimates.

After the first year of implementation, the Commune Development Fund has shown certain initial results but some difficulties still have been encountered in managing the fund efficiently. Hence, the overall assessment of efficient use of commune development fund at the beginning of 2009 is vital. The assessment will help to adjust the procedure for Commune Development Fund in time and simultaneously identify solutions to enhance the commune financial management capacity thus increasing the effective and efficient use of CDF in 2009.

## 3. Objectives

The assessment at this time will help the responsible agencies (Project Implementing Partner, the Department of Finance, the District Finance Offices and People's Committees, the Project Support Unit of SPAR-CB, PMSU and SDC) to obtain specific information about the communes' ability in financial management in general and the capacity in CDF management in particular, which forms the basis for:

- Evaluating thoroughly the efficient use of Commune Development Fund (CDF) in 2008
- Identifying the limitations/weaknesses in managing the commune finances and using the Commune Development Fund, to provide assistance on spot or define solutions to enhance the weak capacity of communes in the forthcoming period
- Adjusting the procedures for managing the Commune Development Funds to meet the capacity and conditions at commune level
- Deciding the allocation of CDF for communes in 2009 based on their efficiency in

management.

#### 4. Methodology

The assessment team included the Task Force of the Finance Department, the Project Support Unit of SPAR-CB in coordination with members of the District CDF Management Boards and those of the Commune Development Boards. The time spent for each commune was half a day; however, three communes in Nguyen Binh had difficult terrain so one day was needed to investigate each of these communes.

The assessment procedure consisted of four parts (1) collecting information and data at the commune level; (2) examining all the accounting vouchers and related documents on the spot; (3) assessment in the field, including observing and taking photographs of activities in the location and interviewing beneficiaries who were randomly selected in villages; and (4) agreement of the assessment results with the commune and the signing of the report.

#### 5. Analysis of the results of using CDF in 20 communes in Quang Uyen and Nguyen Binh districts

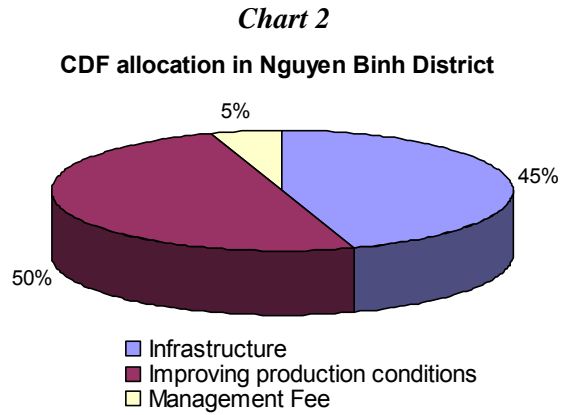
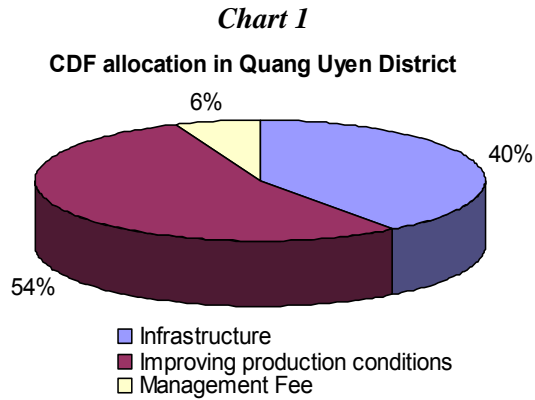
##### 5.1. The result of CDF activities implementation

In 2008 the completion of the Socio-Economic Development Plan in Quang Uyen and Nguyen Binh took more time than expected so the communes had difficulty in providing proposals. Therefore, the CDF was disbursed late (November 2008). At the assessment time in March 2009, the communes had only 4 months to carry out the activities. However, the communes in both districts have completed most of the activities in the plan. By the assessment time the disbursement rate of activities in Quang Uyen was **87%** and in Nguyen Binh **91%** (Table 1).

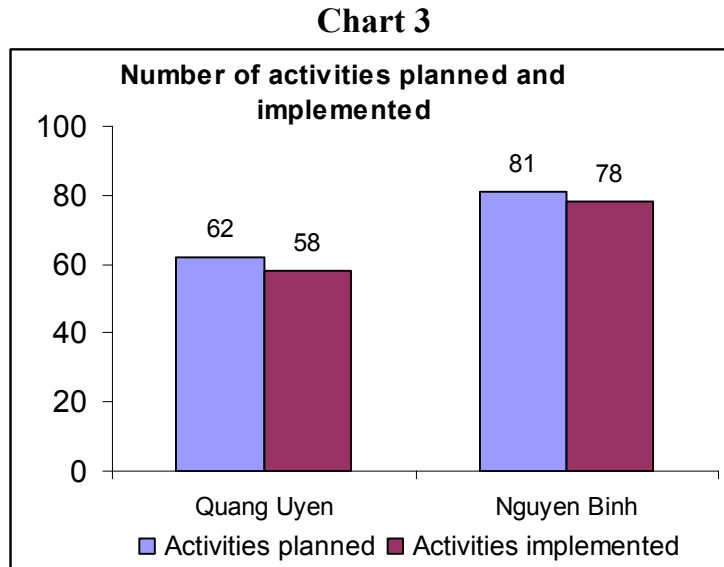
Table 1: CDF estimated budgets and use in 2008 in Quang Uyen and Nguyen Binh Districts

Districts	Budget estimate	Disbursement	%
Quang Uyen	1.060.000.000	918.906.000	<b>87%</b>
Nguyen Binh	1.049.970.300	950.637.950	<b>91%</b>

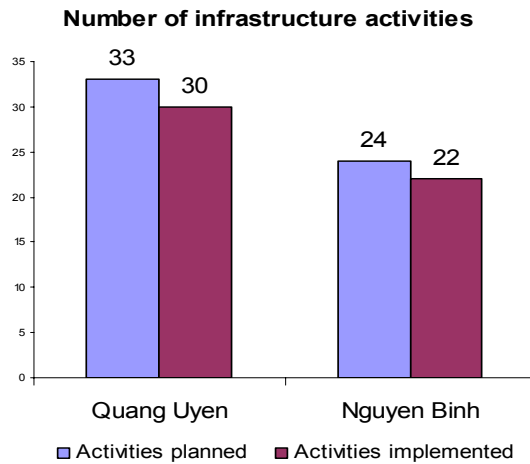
The budgets were disbursed for three categories following the regulation of the project and covered infrastructure, improving production conditions and management fee (Charts 1 & 2).



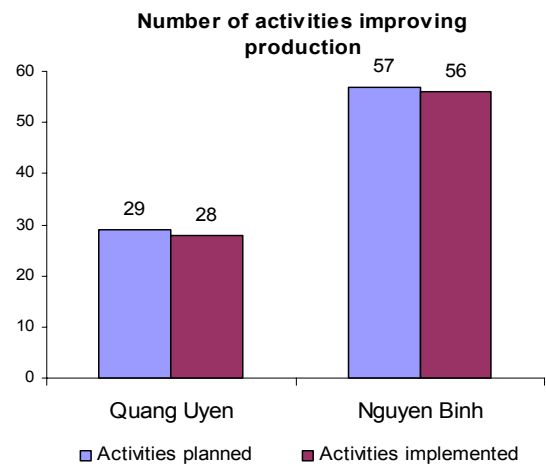
In Quang Uyen district 58 of 62 proposed activities were finished (including small scale infrastructure activities and support to improving production conditions); in Nguyen Binh district 78 of 81 proposed activities were completed. **Charts 3, 4 and 5** give clear illustrations of the activities in the plan and those that actually have been implemented (for both, infrastructure activities and improvement of production conditions in the two districts).



**Chart 4**

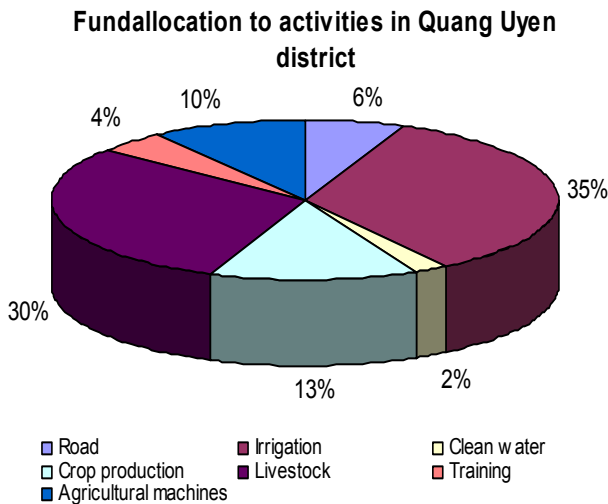


**Chart 5**

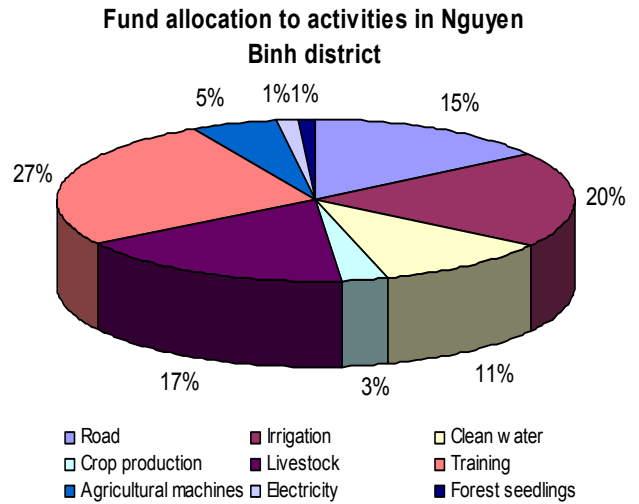


**Charts 6 & 7** give an overview over the infrastructure activities and the support to improve production conditions in Quang Uyen and Nguyen Binh districts. In Quang Uyen activities related to irrigation and support for livestock production accounted for 65%; the remaining 35% included support for crop cultivation, agriculture machines, rural roads, clean water supply and training. In Nguyen Binh training activities made up the largest percentage (27%). Activities related to irrigation, support for livestock rearing and rural road construction also accounted for a large proportion in Nguyen Binh (52%); the remaining 21% included activities on clean water, agricultural machines/maize driers, support for crop cultivation and electrification. (The specific activities on infrastructure and support for improving production conditions are presented detailed in chapter 4.1.1 and 4.1.2 below.)

**Chart 6**



**Chart 7**

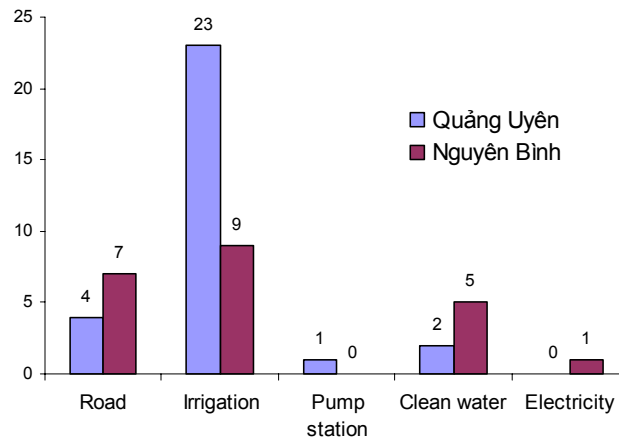


**5.1.1. Infrastructure activities**

All of the communes in Quang Uyen and Nguyen Binh districts have used 40% of the Commune Development Fund for small scale infrastructure. By the assessment time, 52 of 57 infrastructure projects had been completed with 2.118 beneficiary households

(according to the estimated number of the communes), which accounted for 22% of the number of households in the two districts. The infrastructure activities and the specific number for each activity in two districts are shown detailed in **Chart 8**.

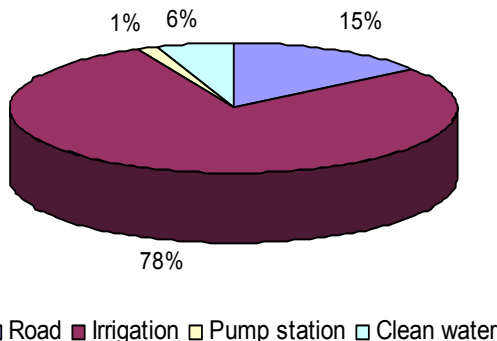
**Chart 8: The number and type of infrastructure projects in Quang Uyen and Nguyen Binh districts in 2008**



**Charts 9 & 10** below demonstrate the percentage of infrastructure activities in the two districts. Specifically, Quang Uyen spent 78% of the budget on small scale irrigation projects. In Nguyen Binh, small scale irrigation projects also made up the largest proportion, 41%. Activities on rural roads construction were also a priority in the two districts (15% in Quang Uyen and 32% in Nguyen Binh.) Nguyen Binh used 24% of the budget for clean water supply while Quang Uyen used only 6% for this activity. In addition, the two districts spent a small percentage of the budget for other activities such as support for water pumps (in Quang Uyen) and electrical wiring (in Nguyen Binh).

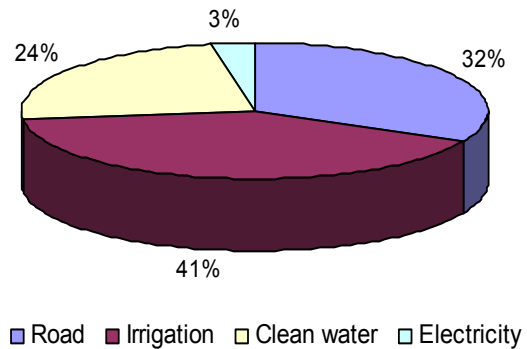
**Chart 9**

**CDF allocation to different infrastructure projects in Quang Uyen**



**Chart 10**

**CDF allocation to different infrastructure projects in Nguyen Binh**



Overall, the infrastructure in activities both districts were very efficient. **This is** proven with the following criteria: (1) the assessment shows that the infrastructure activities reflect the real demands of the local people from the SED plans, therefore the local people enthusiastically contribute and support these activities; (2) with the large contribution of the

local people, all the completed projects have reached or even exceeded the expected target; (3) all the completed projects have the acceptance minutes by representatives from district task force, Communal Development Board, land-survey staff, village leader and beneficiaries. Even more, some of them were of excellent quality and satisfied the demand of the people, for example the Keo Bac - Pac Na gravity-flow water supply scheme in Chi Thao commune, the Phia Chin irrigation canal project in Cai Bo commune, the Lung Ma clean spring water cistern in Ngoc Dong commune, the Ban Tin small irrigation canal in Hanh Phuc commune (in Quang Uyen district); the Dong Reo rural road in Bac Hop commune, the Na Po rural road in Lang Mon commune, the clean water supply scheme in Tam Kim (in Nguyen Binh district).

In all projects the people made a large contribution in form of labour and materials. As estimated, the percentage of contribution rate by people in Quang Uyen was **52%** and that by the people in Nguyen Binh was **26%**. Nevertheless, these numbers were only the estimates at the assessment time. The communes said that the real contribution of the people was much higher than the estimated one. (The data will be updated when the communes submit the final reports). The contribution has been decided entirely by the local people during the village meetings. In fact, the projects with high contributions from the people often have exceeded the estimated targets while the projects with smaller contribution from the local people have only reached the estimated targets. The reason for the difference in local contribution in Quang Uyen and Nguyen Binh is that the local people in Nguyen Binh were only able to contribute with working days and the local people in Quang Uyen were able to contribute working days and materials, then, after accounting into currency value the contribution of Quang Uyen is fairly high.

The infrastructure activities were implemented in two main modalities. The majority of the communes applied the first modality where the Commune Development Board assigns each village to self-manage and organize the implementation process. Some communes directly bought the materials such as cement, steel, iron, grabble for the villages or they assigned the villages to purchase the materials themselves. After that some villages chose a group of skilled workers to build up the schemes or some others implemented the projects under the theme “the whole village works together.” This theme could mobilize the contribution of the people and guarantee transparency. However, the implementation progress of the projects in few villages was slow due to the timely overlap with the harvest.

In the second modality the Commune Development Board paid a group of workers a lump sum to implement the projects. This form did not involve the participation of the people and the transparency was not high. Only in two projects in Thai Hoc and Vu Nong communes this form was applied.

According to the communes, the form of implementation was also decided by the local people in the village meeting. As presented above, in Cao Bang there are only two projects in Thai Hoc commune (road) and Vu Nong commune (clean water scheme) where the second form had been applied. The Chairman of Vu Nong Commune People’s Committee explained, they had to hire a group of workers since the project required some technical skills while the local people couldn’t do it themselves. And, in Thai Hoc according

to the Chairman, the implementation time of the project was overlapping with the harvest time of the local people hence the participation of the people was very limited.

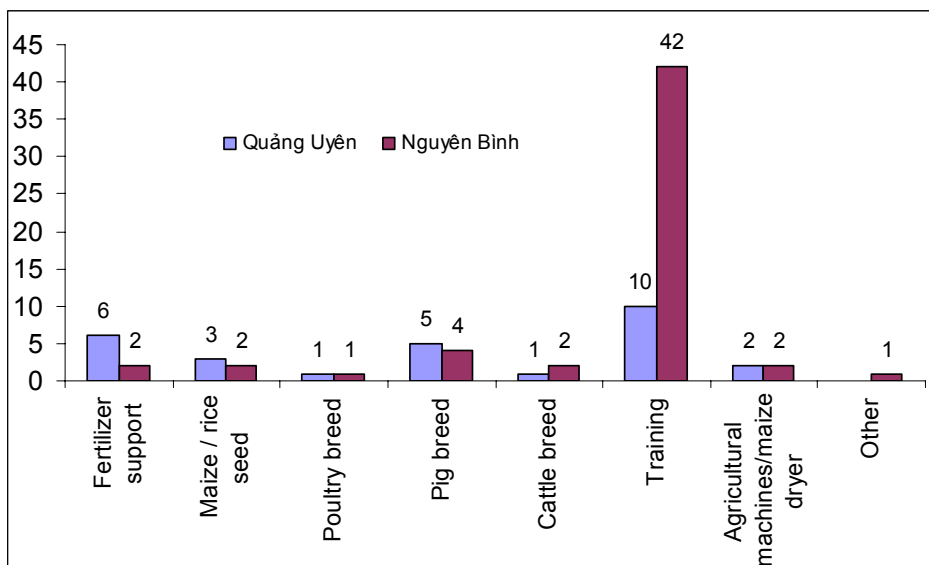
The local people are responsible for maintenance and repair of the schemes when necessary. The village leaders are in charge of mobilizing the local contribution to maintain the schemes.

In the assessment, the commune government and local people both complained that the allocation of CDF for infrastructure in 2008 was not adequate. The projects received little budget then the communes only could use the budget to repair the urgent/necessary parts of the schemes while the needs of the people are higher. 100% of communes agreed that the allocation for infrastructure should be increased to 60%; 30% to be spent for production support. In fact, the infrastructure projects bring benefits to many people and are highly sustainable, so the reallocation of CDF budget is really necessary.

### 5.1.2. Production conditions improvement activities

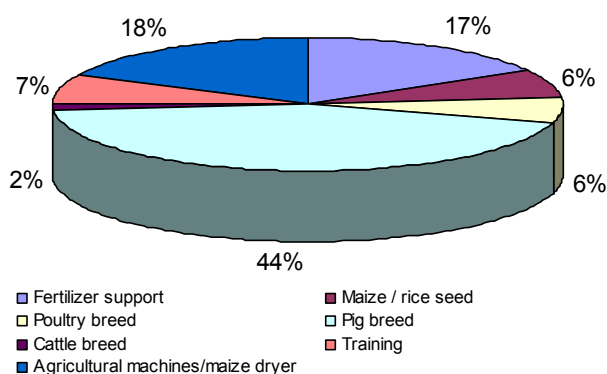
At the time of the assessment 84 of 86 activities for the improvement of production conditions had been implemented with estimated 2.745 beneficiary households, making up to 28% of the total number of households in the two districts. The activities for production support and the specific number of each activity in the two districts are illustrated in detail in **Chart 11** as follows.

*Chart 11: The number and type of activities on production support in two districts in 2008*

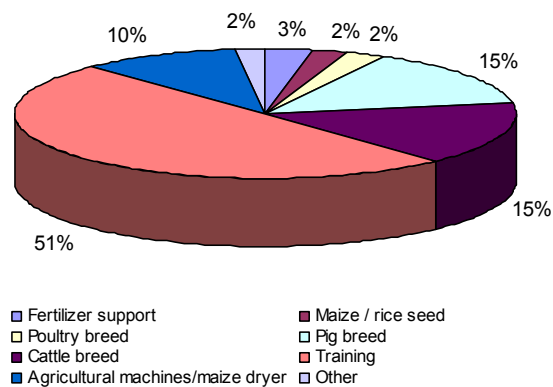


The prioritized activities regarding improvement of production conditions in the two districts comprised of training, support for cattle/poultry, fertilizers, rice/maize seeds, agricultural machines/maize driers (**Charts 12 & 13**).

**Chart 12: CDF allocation in Quang Uyen district**



**Chart 13: CDF allocation in Nguyen Binh district**



A clear difference between the two districts was found in the fund allocation for activities to improve production conditions. The support for breeding pigs in Quang Uyen made up the largest share (44%) while this was only 15% in Nguyen Binh district. While training activities accounted for 51% in Nguyen Binh, this made up only 7% in Quang Uyen district. The direct fertilizers support for households in Nguyen Binh was just 3% in comparison with 17% in Quang Uyen. Nguyen Binh spent 15% of the budget on support for cattle while Quang Uyen spent merely 2%. All of these activities have been selected from the SED plans of the communes. However, in Nguyen Binh, the interviews with local people showed that training is also one of the demands of the local people in the SED plans, however it is not their first priority in production improvement.

The activities on breeding pigs were implemented relatively early. At the assessment time the breeding sows in some communes which implemented this activity early were about to have their first litter. The communes carried out effectively the plan to share the benefit and disseminate the pig breed in the commune. Most of the communes applied the modality under which the household which received the support for the breeding pig pledged to share one good breeding pig (of the first or second litter) with a poor household in the village. However, some poor households which received the breeding pig did not have the capacity to provide a good pigpen, which negatively affects the growth of the animals. In some communes pigs were shared with some better-off households (but it was guaranteed that at least 50% of the benefiting households were poor) in order to support poor households in maintaining their sow raising models. The sow raising models need to continue the close supervision by the Commune Development Board to ensure that poor households get the most benefits from these demonstration sites. At the time of assessment, 115 poor households received pigs in Quang Uyen; 35 poor households and 3 non-poor households received pigs in Nguyen Binh.

100% of the poor households and the near-poor households of the two districts benefited from fertilizer support as well as support for rice and maize seeds. The majority of the communes distributed the fertilizers and seeds equally to all households while very few communes based the distribution on the paddy area of the households. However, the amount of fertilizer and seeds that each household received was very small and the added value

could not be identified on the spot. The interviews with the farmers revealed that the majority of them were glad to receive the fertilizer and seeds. However, Hanh Phuc commune implemented the activity late so some households had bought the maize seeds themselves before receiving the CDF support, leading to a surplus of maize seeds. The local people in Hanh Phuc commune said that they will use the CDF seeds in the next autumn-winter season. However, it reflects the information to the local people on CDF usage of Hanh Phuc commune is still low and non-consistent.

With the support for cattle (in 2008 the communes only chose supporting cows) the communes often encountered difficulties due to the limited amount of money that was provided. The households had to make a large contribution so some poor households rejected the support for purchasing a cow. The assessment shows that supporting cattle rearing in Quang Uyen has been implemented better than in Nguyen Binh. Quang Hung commune, Quang Uyen, supported an 8-household group to buy one breeding cattle (8.000.000 VND) and the households contributed the remaining amount of money. In Thai Hoc commune in Nguyen Binh each household received 2.500.000 VND to buy cattle. Hence, each household had to contribute a lot of money. The CDF allocation for production is still limited, therefore, the activity of supporting cattle should be considered in the next year.

With regard to the support for breeding animals the communes often applied one of the two following modalities. Under the first modality the communes directly bought the livestock and handed them over to the recipient household. Under the second modality the communes assigned the households to directly buy the livestock. The evaluation indicated the higher effectiveness of the first modality in comparison with the second one. For the first modality the better quality of the livestock could be guaranteed and the communes played a more active role in getting the receipts. As for the second modality some livestock self-purchased by villages did not meet the requirements and there was often no voucher of the purchase. The second modality needs more guidance and closer supervision by the Commune Development Board to ensure villages follow correctly the procedures when purchasing livestock.

The training activities of two districts had both theory and practice. Some of the training courses, such as 'agricultural machine repair', 'correct use of pesticide sprayers', 'sow rearing', etc. were relatively effective and practical for the people. The communes providing sow rearing training and support for breeding sows requested the veterinarians to be in charge for supervising the development of the sows in the supported households during the initial growth period. However, most of the other training courses were not as efficient as expected. The training courses were often short-term and have not applied the new methodologies like Farmer Field Schools (FFS). Some people said that many other previous programs such as 134 and 135 also organized similar training courses so the training was not their highest priority. Nguyen Binh district spend 51% of the budget on training activities in 2008. This was a large amount of money which could have been used more effectively in other direct support activities for poor households. The communes thus have to carefully choose appropriate and practical training activities which meet the

demands of the people according to the CDF plan and widely apply the Farmer Field Schools in training activities in the following years.

## **5.2 The management procedure of the Commune Development Fund issued by the Department of Finance**

### **5.2.1 Procedures before the disbursement**

Before receiving the money from the Project Support Unit of SPAR-CB, 100% of the communes completed the necessary procedures, including:

- The Participatory Socio-Economic Development Plan;
- The commitment between PS-ARD, the district People's Committee and the commune People's Committee to implement CDF;
- The Regulation for using the Commune Development Fund issued by the commune People's Committee;
- The Resolution of establishing the Commune Development Fund;
- The bank account at the Agriculture and Rural Development Bank;
- The Proposal for using the Commune Development Fund.

At the time of this assessment all the communes had archived all of the above documents (these documents had been compiled into a file and sent to the Project Support Unit.) 100% of the communes in two districts conformed to the regulation regarding the selection of CDF activities according to the Socio-Economic Development Plan. However, the vouchers and receipts have not been collected adequately. Some other related documents such as minutes of village meetings, the list of beneficiary and poor households, minutes of handing over of infrastructure schemes, cash books, records of the bank account book, etc. have not been collected by the Commune Development Board. Apart from the official receipts, most of the vouchers and documents are mere formalities.

### **5.2.2 The program cost norms and the recording of vouchers, cash books and accounting procedures**

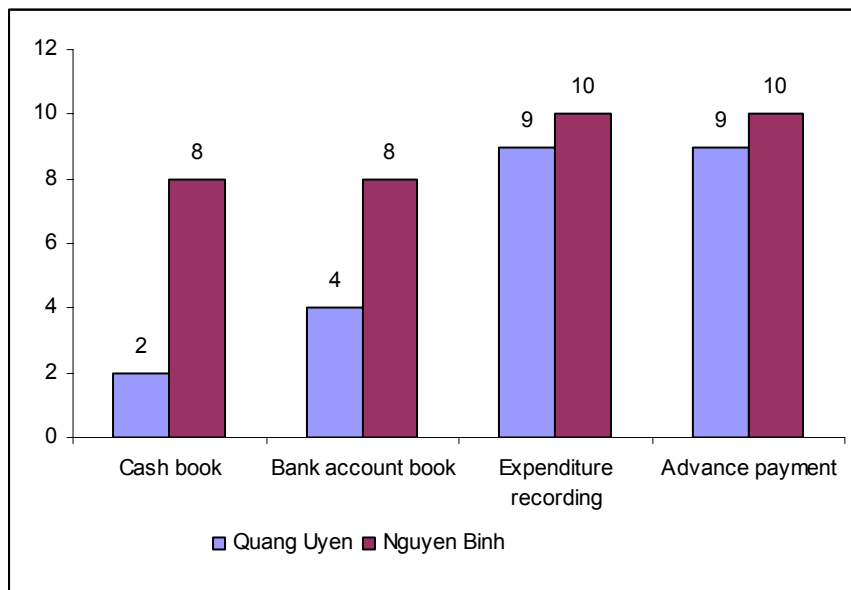
In terms of program cost norms, 100% of the communes complied with using 40% of the total budget on small scale infrastructure and 50% on activities to improve production conditions and 10 % on cost management. In 2008 the expenditures of 100% of the communes were according to the cost norms of the Project Support Unit. For some activities on construction, there was a change in the price compared to the time when the budget estimate was done so the communes had to adjust the cost for materials which was still in the proposed limit level. The people were mobilized to contribute to the differences. All of the changes in comparison with the proposal were accompanied by the explanation.

At the assessment time the majority of the communes in two districts used (only) 50% of the budget on management costs and all of the expenditures were within the permitted limit.

As for the accounting books the *Guidelines on Procedure for the Commune Development Fund Management* regulates that each commune has to open four kinds of

books. Those are: 1) the cash book, 2) the bank account book, 3) the expenditure recording book and 4) the advance payment book. However, many communes did not have all of these books. Some communes did not study carefully the guidelines issued by the Department of Finance so they did not follow the right forms as guided. Some communes used the accounting forms of the administrative profession instead of using those of the Department of Finance. The communes asserted that the procedures for implementing CDF in 2008 was still complex and some forms and guidelines were not yet consistent and relatively complicated for them such as Activity Sheet/Final Activity Report(AS-FAR). The evaluation showed that the majority of the communes did not fill the information in AS-FAR or they just did it formally. Moreover, some communes did not have electricity so the commune accountants met great difficulties in filling in the accounting forms. (They had to go to and fro between the commune and the district to use the computers in the district.) **Chart 14** below illustrates the number of all kinds of recording books in the two districts.

**Chart 14: Number of communes with various recording books in the two districts**



Regarding the accounting procedures and vouchers, 100% of the communes had the list of households acknowledging the participation in the village meetings on CDF implementation as well as the receipt of fertilizers or plant seeds. 100% received the fertilizers or plant seeds as proposed.

### 5.2.3 The transparency, publicity and the participation of the people

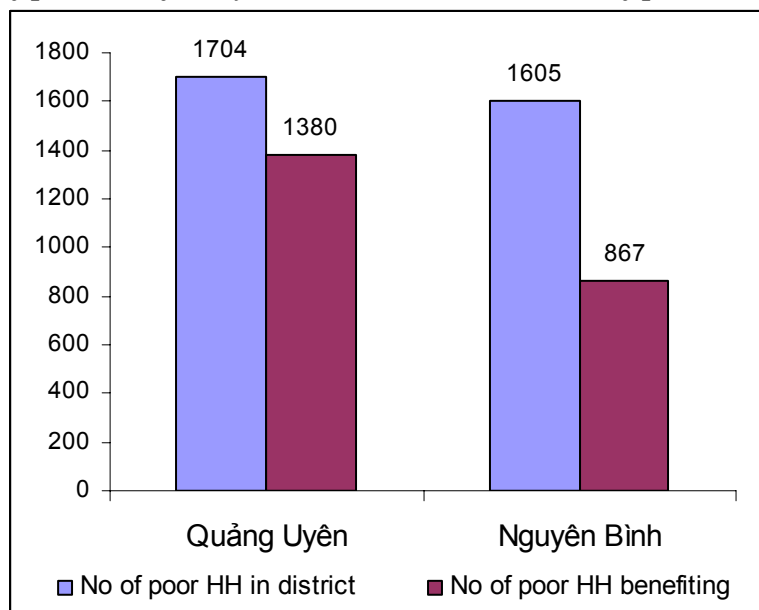
All of the communes in two districts had village and Commune Development Board meetings to inform publicly the village leaders about the CDF. However, the modality was just oral information during the meetings. None of the communes had posted notice boards about the public finance or broadcasted the information through the village loudspeakers. The communes explained that only by receiving the agreement of the Project Support Unit on final accounts they can post the notice board. The survey revealed that many people (mostly in the highland villages) did not hear about the Commune Development Fund or were not clear about the criteria/ forms/ beneficiaries receiving assistance from the fund. They only learnt about receiving the fertilizer and plant seeds ... when they were informed by the village leaders. In 2009, the posting of notice boards on CDF budgets after approval by the Project Support

Unit of SPAR-CB and posting of the settlement of accounts will be one principle in the CDF guideline.

#### 5.2.4 The prioritized beneficiaries of the Commune Development Fund: Poor people and women

With regard to infrastructure activities it was difficult to figure out the exact number of households and poor households benefiting. The statistics will be made after the communes have sent the final report. Hence in this part, only the poor households receiving support for improving production conditions are accounted for. In both districts, except for the training activities, both poor households and non-poor households took equally part in activities and few communes provided also assistance for better-off households in the sow raising demonstration sites (as explained in 4.1.2). All of the poor households benefited from production support activities. According to the estimate at the assessment time Quang Uyen had **1,380** of **1,704** poor households receiving the assistance from CDF in 2008 in form of support of activities to improve production conditions, making up to **81%**. Nguyen Binh had **867** of **1,605** beneficiary poor households, accounting for **54%** (Chart 15).

*Chart 15: Number of poor beneficiary households / total number of poor households*



In 2008, the communes did not yet consolidate the statistics regarding the number of involved female beneficiaries in CDF activities, since the communes did not collect this kind of data from the beginning of implementation. Nevertheless, based on the collected data women participated in many CDF activities, even infrastructure activities and production support. In 2008 there were no particular activities for women. However, up to 90% women took part in activities on breeding pigs, cattle rearing, maize/rice and fertilizer. Therefore, the statistics about the beneficiary women receiving assistance from CDF were made according to these listed activities. As estimated, Quang Uyen had **1,167** women receiving assistance from CDF and the number of women benefiting in Nguyen Binh was **374**. The difference in number of female beneficiaries comes from the allocation of activities, in Nguyen Binh the activities chosen are for both men and women (training)

while the other activities for women like supporting pigs, poultry, seeds, fertilizer... are limited.

### **5.2.5 The management, supervision and evaluation of the Commune Development Fund**

In general, the CDF management of the commune is still not up to standard. Despite a decision of establishing the Commune Development Board had been issued together with the task assignment for each member, in some communes the situation that work concentrates only on few members still remains; especially the accountant is overloaded. The coordination of Commune Development Board is not very good, either. In 2009, Commune Development Boards should review the tasks of each member and ensure to “assign the right work for the right member”.

In the guidelines on CDF implementation by the Department of Finance forms were provided and guidelines to implement the monitoring of activities from the commune to village level but almost no communes used these forms. The times of monitoring and evaluation visits were recorded in a book. Infrastructure projects were implemented quite well by village leaders and involved participants. In 2008 the province and districts also conducted visits to monitor the implementation of CDF activities and assist the communes which met difficulty during implementation. These province and district monitoring visits were all recorded by the communes. However, according to the communes this kind of assistance needs to be more regular and needs to be better coordinated between province and district to avoid the contradicting guidance which causes difficulties for the communes and confusion in implementation.

## **6. Conclusions and recommendations**

### **6.1. Conclusions**

#### **6.1.1 General conclusions**

- Generally Quang Uyen and Nguyen Binh districts have achieved relatively good results in CDF implementation in 2008 and many activities were implemented right after the communes had received the funds in their bank account;
- The support activities prioritized the poor and areas with great difficulties;
- Small scale infrastructure projects were of good quality with a very large contribution from the people;
- The result of the activities on improvement of production conditions could not be assessed immediately. Many selected activities were not the highest priority of the people;
- Training activities were not highly effective. Most of them were organized as short term courses and there was overlap with other programs;
- Accounting procedure/ forms were not implemented synchronically. Some of the forms were not adequate with the level and capacity of the commune staff;

- There has been no specific and clear monitoring procedure for CDF activities. The monitoring task was mainly done by village leaders and the people were not involved much in the monitoring process;
- Though the commune staff were trained about the procedure of transparent integrated commune finances and the management procedure of CDF, their capacity was still limited. Some of them were unwilling to ask when they met difficulties.

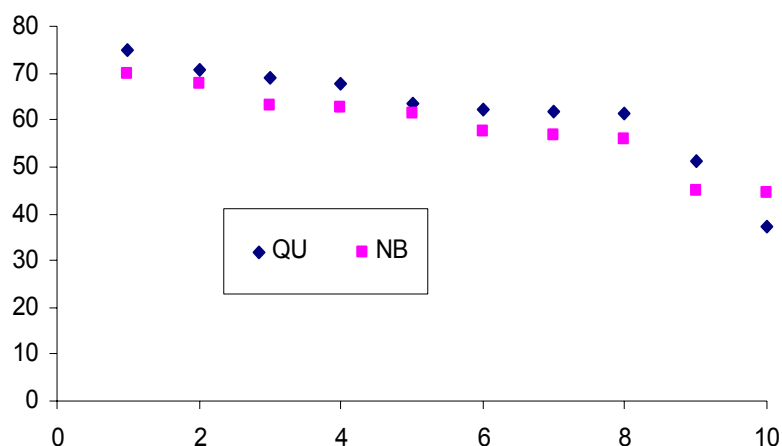
### 6.1.2. A comparison between the implementation results in Quang Uyen and Nguyen Binh

The implementation results of the Commune Development Fund of 20 communes were transformed into rates based on criteria including the management, the activity quality, the people’s satisfaction, the number of beneficiary households and the proportion of people’s contribution (**Appendix 1**). The rates that the communes got reflected their level of CDF management, the quality of the activities implementation as well as the participation of the people in these activities. See **Table 2** and **Chart 16** below for more details:

**Table 2: The assessment on the implementation results of 20 communes**

Quang Uyen	Total points	Nguyen Binh	Total points
Phuc Sen	75	Tam Kim	70
Cai Bo	71	Bac Hop	68
Ngoc Dong	69	Lang Mon	63
Chi Thao	69	Thi Tran Nguyen Binh	62
Tu Do	68	Minh Tam	61
Doc Lap	62	Thinh Vuong	58
Hanh Phuc	62	Vu Nong	57
Quoc Phong	61	Mai Long	56
Quang Hung	51	Ca Thanh	45
Hoang Hai	42	Thai Hoc	44
<b>Total QU</b>	<b>630</b>	<b>Total NB</b>	<b>584</b>

**Chart 16: A comparison on the implementation results of 20 communes**



Nguyen Binh had a higher disbursement rate than Quang Uyen (91% and 87% respectively). However based on the particular communes Quang Uyen implemented CDF activities better than Nguyen Binh. Quang Uyen had the 630 total points while Nguyen Binh had 584 points. The three communes getting more than 70 points included Phuc Sen with 75 points, Cai Bo with 71 points (Quang Uyen district) and Tam Kim with 70 points (Nguyen Binh district.) Three communes getting less than 50 points included Hoang Hai with 42 points (Quang Uyen district), Ca Thanh with 45 points and Thai Hoc with 44 points (Nguyen Binh district.)

## **6.2 Recommendations**

- 1) Changes should be made in the fund allocation for CDF activities with proportion 60:30:10 (60% for infrastructure activities, 40% for activities on production conditions support and 10% for cost management);
- 2) Cost norms of the communes implementing CDF in 2009 and 2010 should be unified. (At present the communes followed the cost norms of SPAR-CB project);
- 3) Some forms in the CDF guidelines of the Department of Finance should be simplified;
- 4) The capacity building of commune financial staff should be followed-up through training courses;
- 5) The commune Development Board should identify the roles and responsibilities of each member in order to avoid the situation of “focusing on only some people” as in 2008;
- 6) The commune should thoroughly apply the method of “the government and people doing together” as to develop the mastery and participation of the people in infrastructure activities;
- 7) The communes should select the prioritized activities which are practical for and according the needs of the people in the activities for improving production conditions based on the Socio-economic Development Plan;
- 8) The public information of the finances should improve in the following years through more variety in the publicising (posting information on the notice board at the commune People’s Committee, the cultural house at the village, broadcasting through the loudspeakers, etc.) in order to ensure that the people receive the correct information in the most effective way;
- 9) The supervision of the Province and districts in the CDF activities should be enhanced right at the start of the planning;
- 10) The communes doing well in 2008 should receive supplementary budget in 2009 to encourage the competitiveness among the communes.

## **7. Appendices**

1. The detailed marking table of 20 communes which implemented the CDF in 2008 in Quang Uyen and Nguyen Binh districts.

2. The updated data of CDF management and usage of Quang Uyen & Nguyen Binh in 2008 (until end of March 2008).

**Appendix 1:** The detailed marking table of 20 communes implementing the CDF in 2008 in Quang Uyen and Nguyen Binh

Commune	Quality	Meet people's demands	Information about beneficiary	Local contribution	% of beneficiary households	Procedures	Total
Phuc Sen	15	40	5	2	1	12	75
Cai Bo	15	40	5	1	1	9	71
Ngoc Dong	20	30	5	2	1	11	69
Chi Thao	15	40	5	1	1	6	68
Tu Do	20	30	5	1	2	10	68
Doc Lap	15	30	5	1	2	9	62
Hanh Phuc	15	30	5	2	1	9	62
Quoc phong	15	30	5	2	2	8	62
Quang Hung	10	30	5	1	1	4	51
Hoang Hai	10	20	5	1	1	5	42
<b>Total Quang Uyen</b>							<b>630</b>

Commune	Quality	Meet people's demands	Information about beneficiary	Local contribution	% of beneficiary households	Procedures	Total
Tam Kim	20	30	5	1	2	12	70
Bac Hop	20	30	5	1	1	11	68
Lang Mon	15	30	5	1	1	11	63
Thi Tran Nguyen Binh	15	30	5	1	1	11	62
Minh Tam	15	30	5	1	1	10	61
Thinh Vuong	10	30	5	1	3	9	58
Vu Nong	10	30	5	1	1	10	57
Mai Long	10	30	5	1	1	10	56
Ca Thanh	10	20	5	1	1	9	45
Thai Hoc	10	20	5	1	1	8	44
<b>Total Nguyen Binh</b>							<b>584</b>

Explained appendix 1: The appendix 1 is the detailed marking table of the communes based on the following criteria: (1) quality of activities; (2) at what level the activities meets the local people's demands; (3) the commune has information about the beneficiaries; (4) local contribution; (5) percentage of beneficiary households and (6) procedures. In which, the quality of activities and the activities meets the local people's demands are more important in assessing the CDF usage so these two criteria receive higher points than others.

**Appendix 2:** The updated data of CDF management and usage of Quang Uyen & Nguyen Binh in 2008 (until end of March 2008).

	<b>Quang Uyen</b>	<b>Nguyen Binh</b>
Total CDF received by communes since November, 2008	<b>1,060,000,000 VNĐ</b>	<b>1,049,970,300 VNĐ</b>
Total fund disbursed at the end of March 2008	<b>1,060,000,000 VNĐ (100%)</b>	<b>1,048,993,300 VNĐ (99.9%)</b>
Management fee	<b>106,000,000 VNĐ</b>	<b>95,062,900 VNĐ</b>
Infrastructure activities	<b>424,000,000 VNĐ</b>	<b>462,692,400 VNĐ</b>
Local contribution to infrastructure	<b>591,739,000 VNĐ (58%)</b>	<b>231,720,000 VNĐ (33%)</b>
1. Rural traffic roads	7	7
2. Small irrigation (canals, dams, drainages)	25 1	10 0
3. Water pumping machines	1	0
4. Clean water projects	2	5
5. Electrical wires	0	1
6. Toilets	0	18
Activities on improvement of production conditions	<b>530,000,000 VNĐ</b>	<b>485,401,400 VNĐ</b>
1. Fertilizers support	6	2
2. Maize and rice seeds support	3	2
3. Poultry support	1	1
4. Pig breeds support	5	4
5. Cattle support	1	2
6. Training	11	42
7. Agriculture machinery/Maize ovens support	2 0	2 1
8. Forestry seeds support		
Activities of women groups: - Raising sows - Raising ducks - Growing new varieties of rice/maize - Applying fertilizers to increase the production	<b>2,334 women</b>	<b>904 women</b>
Number of beneficiaries of infrastructure activities	<b>1,333 households</b>	<b>785 households</b>
Number of beneficiaries of production improvement activities	<b>1,781 households (1,380 poor HH)</b>	<b>1,252 households (933 poor HH)</b>