



Financing Mine Action in Vietnam

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> Who decides?

Priorities

1. National
2. Sub-national
3. Private sector
4. Development NGOs

Decision-makers

1. Ministries via MPI
 - > National Public Investment Programme
 - > Ministry of Defence
2. Provincial, district & commune governments
3. Private investors
4. Development NGOs



> Who does the demining?

Priorities

1. National
2. Sub-national
3. Private sector
4. Development NGOs

Demining operator

1. Engineering Command & army firms
2. Engineering Command & Demining NGOs
3. Army firms
4. Demining NGOs



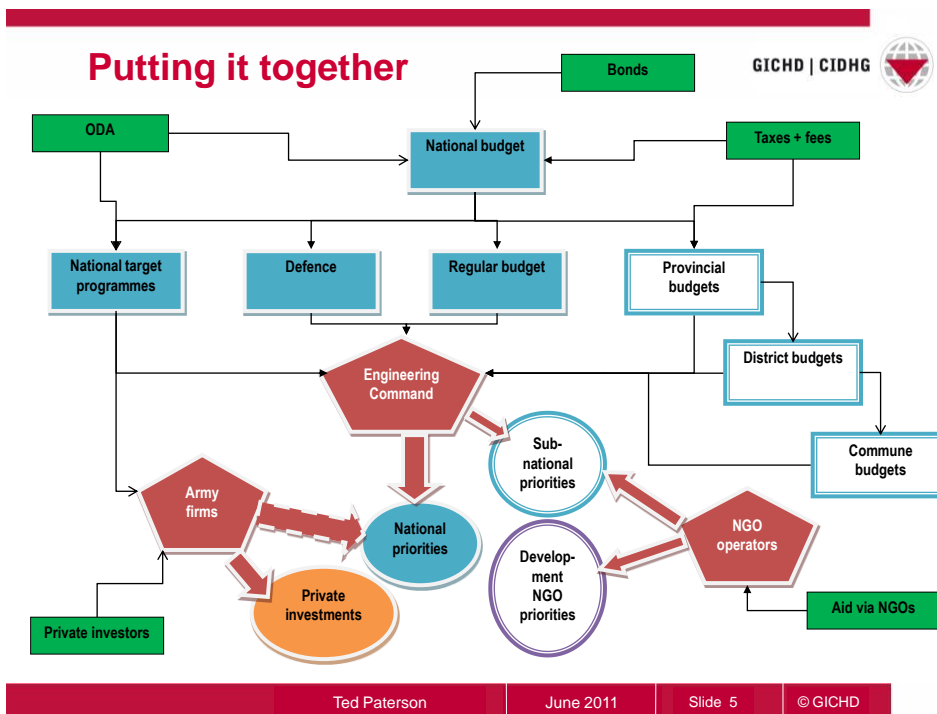
> Who pays?

Priorities

1. National
2. Sub-national
3. Private sector
4. Development NGOs

Source of funds

1. Taxes, bonds & modest ODA
2. Transfers from national budget, taxes, & donors (via demining NGOs)
3. Private investors
4. Donors (via demining NGOs or development NGOs)



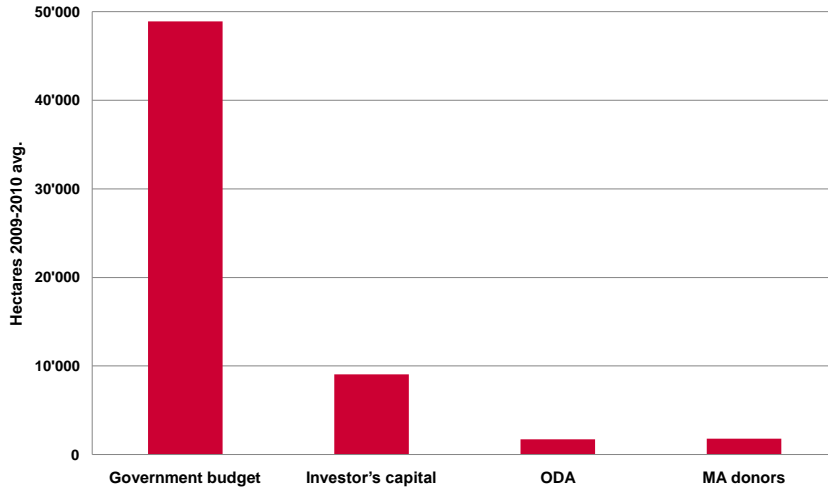
> Obtaining information on expenditures

- > **No single mine action or demining budget**
 - > Payments by investor (public; private; NGO)
- > **Engineering command and army firms receive payment as revenue**
 - > Engineering Command must collect & compile the data
- > **Data seem to be for tasks that could spread over more than one year rather than actual expenditures in each year**
- > **Funding estimates from international MA donors come from Landmine Monitor**



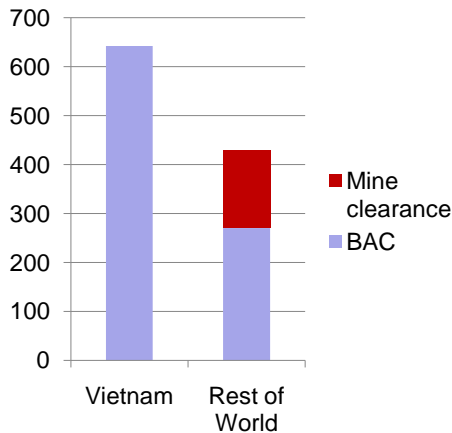
> How much is demined?

Area demined by source of funds



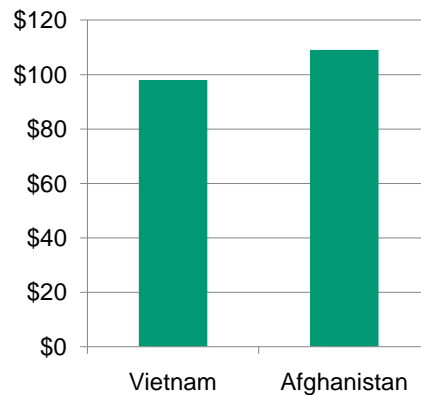
> International Comparisons

Clearance (km²)



Expenditures

USD millions 2009

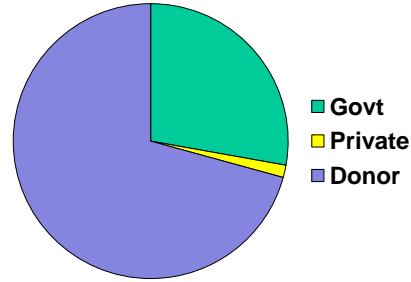
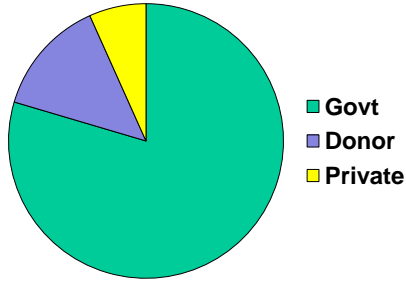




> International Comparisons: Source of Finance

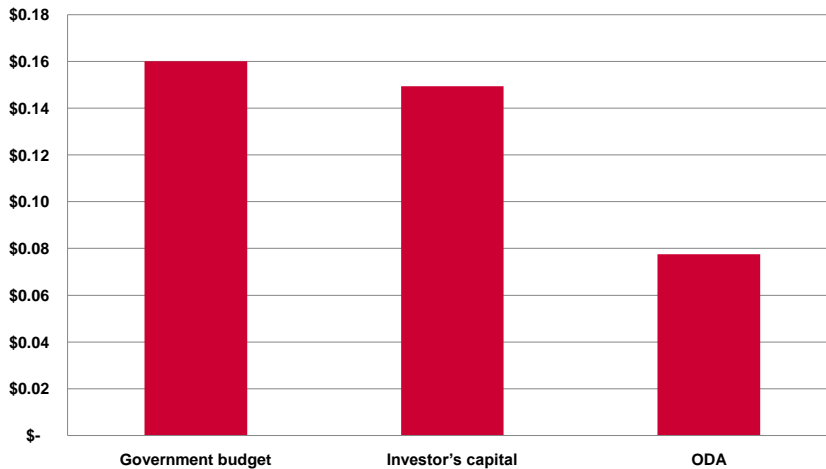
Vietnam

Other – Landmine Monitor



> Cost per m²

Average cost per m²





> What is driving these expenditures?

- > **Public infrastructure, e.g.**
 - > Four north-south transport arteries plus road parallel to border with China
 - > Linked with SEDP & PIP
 - > To come → e.g. urban expansion
- > **Private investment**
- > **Public-Private-Partnership (PPP) investments**
 - > Build-Operate-Transfer (BOT) arrangements
- > **Provincial initiatives (e.g. Project RENEW in Quang Tri)**
- > **National Target Programmes (e.g. Hunger Alleviation & Poverty Reduction)**



> Key changes with the National Programme

- > **5-Year & Annual Plans with higher demining targets**
 - > Implies more financing from Government and donors
- > **Specific mandates given to MPI**
 - > Identify priorities for ODA funding & take lead role in resource mobilisation from ODA for mine action
 - > Guidance regarding NGO-funded activities
 - > Work with Min. of Finance to secure government funding to implement the National Programme
- > **Provincial budgets for demining (financed mainly by the national budget) & more provinces open to work directly with demining NGOs**
- > **National civilian operator established**



> Potential channels for MA donors

Traditional MA Donor approach

1. More direct funding to more demining NGOs, disability assistance NGOs, etc.
2. Add MA budget within grants to development NGOs (who will hire MA NGOs for demining & victim assistance)
3. Contribute directly to national civilian operator (funds or equipment)
4. Technical assistance to national & provincial organs (modest amounts)
5. Fund specific projects in Mine Action Portfolio via VTF or BCPR Trust Fund



> Potential channels for MA donors cont.

Programme-Based Approaches, for example

6. Finance specific investments for the national programme (e.g. national database centre; accident surveillance system)
7. UN-managed trust fund (e.g. Cambodia's Clearing for Results)
8. Contributions to National Target Program (if GoVN decides to make mine action or war legacies an NTP)

Innovative Financing Mechanisms, for example:

9. Cash on Delivery aid (e.g. 'Demine-a-commune')
10. Donor-financed sinking fund to cover interest on non-concessional IBRD or ADB loan
11. Matching fund for sub-national investments in mine action (e.g. US matching funds via ITF)



> Potential channels for MA donors cont.

Military-Military Assistance (ODA)

11. Deminer training facilities to train & equip demining units to IMAS standards for peacekeeping deployments

Military-Military Assistance (non-ODA)

12. Stockpile destruction of cluster munitions (abandoned US stockpiles)
13. Train & equip for underwater demining
14. Joint R&D with BOMICEN