

VUFO-NGO RESOURCE CENTRE

ANNUAL REPORT 2006

DRAFT

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Abbreviations

CG:	Consultative Group
E-list:	Email list
E-newsletter:	Email newsletter
GOV:	Government of Vietnam
INGO:	International Non-Governmental Organisation
NGO RC:	VUFO-NGO Resource Centre
NPP:	National Programme for the Promotion of INGO Assistance
PIT:	Personal Income Tax
VUFO:	Vietnam Union of Friendship Organisations
WG:	Working Group

INTRODUCTION BY THE **MANAGING Co-DIRECTOR**

In 2006, the VUFO-NGO Resource Centre (NGO RC) continued to carry out its regular activities, including organising the INGO Forum meetings, facilitating INGO Working Groups, maintaining the website, email lists and library, sending out the fortnightly newsletter to members, and printing the annual INGO Directory.

In addition to this, the NGO RC continued to play an important role in the overall relationship between INGOs and the Vietnamese and donor communities, by organising or supporting a range of meeting and consultation processes for government agencies, donors and local organisations. This has included facilitating INGO input for the Consultative Group Meetings, I/NGO input for the Vietnam Development Report 07 preparation process, a number of meetings with the Committee for Ethnic Minority Affairs (CEMA) and MARD regarding Programme 135 phase II and I/NGO involvement, by becoming a member of the Partnership Group for Aid Effectiveness, and the Global Call for Action Against Poverty (GCAP) team in Vietnam, etc.

Through out the year, the NGO RC informed it's members about all the activities being conducted through our newsletters, meetings and INGO Forums. To provide the members and users of the NGO RC with a complete overview of NGO RC activities in 2006, we have prepared this draft annual report, which will also serve as a foundation for developing the NGO RC Activity Plan for 2007 and the fund-raising plan for 2007/8.

We would like to thank all our members for their continuing support and participation in activities organised by the NGO RC in 2006. We look forward to further developing and improving the NGO RC's work in 2007 to better meet the needs of our members and reflect the ever-changing nature of development in Vietnam.

I would like to take this opportunity to express my gratitude to all the INGOs and individuals that have supported me during my first year at the NGO RC.

On behalf of the NGO Resource Centre team.

Sincerely,

Trine Glue Doan

Co-Director

VUFO-NGO Resource Centre

THE YEAR IN REVIEW

Information Services

Email Newsletter

In 2006, the NGO RC continued to prepare and send out the e-newsletter twice a month, and in all 24 e-newsletters were sent out throughout the year. The e-newsletter has a basic plain-text format and uses no pictures or tables for easy online access. It aims to provide an overview of the activities of the NGO RC, its members and friends, other local and international organisations, upcoming meetings and events, ongoing campaigns and initiatives, library arrivals, agency personnel and address announcements, training opportunities and current vacancies. If you are interested in subscribing to the newsletter, please visit the following link. <http://mailman.ngocentre.org.vn/cgi-bin/mailman/listinfo/newsletter>.

Email Lists

The NGO RC manages a ranges of different email lists including the e-newsletter, opportunities, email lists of the NGO RC members and the different working groups, the e-list of the People's Participation Working Group, etc. The table below provides an overview of the different email lists, the number of organisations/individuals signed up, and the year of establishment. Participation in the lists is unrestricted, except the members e-list.

	Name of e-mail list	Number of organisations/individuals signed up to list	Year of establishment/year for NGO RC to start managing the list
	Agent Orange WG	232	2006
	Avian Influenza	129	2005
	Child Rights WG	74	2006
	Creative Development WG	152	2006
	Development Libraries WG	121	2006
	Disability WG	547	2006
	Disaster Management WG	179	2005
	HIV/AIDS WG	561	2005
	International NGOs in Ho Chi Minh City	111	2006
	NGO RC Members	247	2006
	NGO RC Newsletter	868	2006
	Admin WG	124	2006

	Ethnic Minority WG	175	2005
	Landmines WG	70	2006
	Microfinance WG	207	2005
	Sustainable Agriculture and Natural Resource Management WG	111	2006
	Opportunities	1615	2006
	People's Participation WG	296	2006
	Water and Sanitation WG Vietnam	141	2005
	Wildlife Trade WG	170	2006

If you wish to sign up to a mailing list, please visit the Mailing List section of the NGO RC website at <http://mailman.ngocentre.org.vn/cgi-bin/mailman/listinfo>.

Website

The website continues to be a key piece of electronic infrastructure for the NGO RC and performs a vital role in the centre's information sharing and cooperation facilitation activities.

The website saw an significant increase in visits during 2006 and traffic continues to grow at a rapid rate. In 2006, the process of redesigning, restructuring and relaunching the site was initiated using a new open source content management system that will significantly boost the interactive nature of the site and enhance the services it can provide to users.

The revised site is expected to be launched in the second quarter of 2007.

Newsbrief

The NGO RC has been offering a Weekly Newsbrief service to members for the last seven years. This service is prepared by an external agency and consists of English language news summaries of articles appearing in the Vietnamese press that are of general interest to INGOs. Sixteen members were subscribed for receiving the weekly Newsbrief service in 2006.

For more information, please visit the following link <http://ngocentre.org.vn/Default.asp?page=newsbrief>.

Library

In 2006, the NGO RC started a process of updating the resources available in the NGO RC Library, focusing on coordinating with other development libraries in Hanoi and increasing the number, scope and range of INGO reports and studies available. The Ethnic Minority WG also established a separate section on ethnic minorities.

In 2007, the NGO RC will further develop is online access and resources and enter all new publications into the revised website, which will have a new, more powerful online search function.

Annual INGO Directory

In 2006, the INGO Directory included information on 406 organisations. Its publication was delayed due to the fact that the NGO RC only employed a new Managing Co-Director from April onwards. As a result, only 500 English copies were printed and the INGO Directory only covered 2006 and not the 2005/06 period.

In 2007, the NGO RC will explore making the Directory available and searchable online and enable INGOs to update their own information independently to ensure the most accurate listing of information.

Working Groups, Forums, Networks, and Campaigns

INGO Forum

The INGO Forum Meetings are normally held on a monthly basis, however, during 2006 only four meetings were held, partly because the NGO RC only employed a new Managing Co-Director from April onwards, but also due to the fact that meetings were organised in relation to the need for specific consultations and/or discussion of issues, rather than in accordance with a monthly schedule. Attendance for the meetings varied between 35 and 60, while meetings concerning consultations on national policies etc. saw more participants.

In 2007, the NGO RC plans to consider changing the INGO Forum meetings from a monthly to bi-monthly basis, taking into account the need for specific consultations, to ensure the interest and relevance of the events is maintained. For more information, please visit the NGO RC website at http://ngocentre.org.vn/Default.asp?page=ingo_forum.

Working Groups

The scope and range of the Working Groups (WG) have grown within the past year in terms of both number and activities. There are now 13 Working Groups in total:

1. Administrative WG
2. Agent Orange WG
3. Child Rights WG
4. Development Information WG
5. Disability WG
6. Disaster Management WG
7. Ethnic Minority WG
8. HIV/AIDS Technical WG
9. Landmine WG
10. Microfinance WG

11. Sustainable Agriculture & Natural Resource Management WG

12. Wildlife Trade WG

13. Water Supply & Sanitation WG

In 2006, the Child Rights WG was established and has already organised a number of meetings, while the Development Information WG was initiated and is still in process of being established.

There is a great variety in how often the different WGs organise meetings and the number of participants at each meeting. In addition, some WGs have established thematic subgroups focussing on specific areas. For more information, please visit the Working Group section of the NGO RC website at http://ngocentre.org.vn/default.asp?page=forum_and_working_groups/working_groups.

The level of activity in a working group seems to depend greatly on its structure and organisation, as it appears that WGs with a dynamic collaborative core group organise meetings more frequently and with more diversity in topics. For more detailed information, please review the report entitled International NGO Partnerships for Development 2006 on the NGO RC website at http://ngocentre.org.vn/file_lib/ingo_wg_annual_report_en_draft_1_edited-1.doc.

In 2007, the NGO RC plans to work with less active groups to review the terms of reference and continue to develop activities to ensure more regular and productive meetings. Moreover, the NGO RC hopes to coordinate individual or joint WG meetings outside of Hanoi, in addition to the few WGs already doing so, in order to increase and promote access to such forums for INGOs and other groups not based in Hanoi.

Partnership Groups

Presently, INGOs are formally elected to be representatives of the INGO community in three partnership groups:

1. The International Support Group–MARD (ISG–MARD). Representative: Patrice Gautier, Agronomes & Veterinaires Sans Frontieres/Vietnam AVSF (from October 2006).
2. The Health Partnership Group (HPG). Two INGO representatives have been elected - Laura Wedeen, Pathfinder International/PI (from 2004) and Michelle Gardner, Program for Appropriate Technology Health/PATH (from October 2006).
3. The Partnership Group for Aid Effectiveness (PGAE), where INGOs were invited to participate in extension of the Mid-term CG meeting 2006. Representative: NGO RC Co-Director (from July 2006).

To increase the input from and feedback to other INGOs, representatives of the different partnership groups have started to announce meeting agendas, calls for input and provide feedback through the NGO RC newsletter and website. In addition, INGOs are taking part in a number of other partnership groups such as the People's Participation Working Group, etc. For more information, please visit the NGO RC website at http://ngocentre.org.vn/default.asp?page=forum_and_working_groups/other_partnerships.

In 2007, the NGO RC and INGO representatives plan to ensure that the input and feedback for the three groups mentioned above becomes more regular. Also in 2007, the NGO RC will try to establish

an overview of which partnership groups have active INGO participation in order to increase information exchanges. In addition, the NGO RC will seek to increase coordination and collaboration with partnership groups that have activities relevant and/or similar to that of the NGO RC, in particular the WGs operating under the NGO RC umbrella.

Consultative Group Meeting

Four INGO CG Meeting representatives are elected at the INGO Forum for a two-year period. The current INGO representatives are:

1. Deepali Khanna/Plan Vietnam (from September 2004)
2. Steve Price-Thomas/Oxfam GB (from September 2004)
3. Jeremy Stoner/Save the Children UK (from September 2005)
4. Andy Wehkamp/Netherlands Development Organisation/SNV (from September 2005)

Both Deepali Khanna and Steve Price-Thomas were re-elected in October 2006 for another two-year period, as no other INGO representatives volunteered for the roles. All four representatives and the NGO RC Managing Co-Director took part in the Informal Mid-year Review CG Meeting held in June in Nha Trang, and the Formal Year-end CG Meeting between government and donors in December in Hanoi.

INGO have one seat at the round table, which was shared by the four INGOs representatives by dividing up their attendance at different sessions. The INGO representatives participated actively in all meetings by making comments at most of the sessions. They also obtained clear recognition of points raised by the INGO community in relation to some of the issues discussed by donors and government. Prior to both CG meetings, the NGO RC organised meetings to gather comments and feedback on the specific CG agenda. It also initiated and coordinated the production of an INGO Statement in order to obtain collaborative input on issues raised by INGOs through the representatives at the CG meetings.

A printed INGO Statement was prepared and distributed at the Year-end Meeting. In addition, the NGO RC, with input from most WGs, printed a report entitled International NGO Partnerships for Development 2006, which was also distributed at the Year-end CG Meeting. To read these documents, please visit the CG Meeting section of the NGO RC website at http://ngocentre.org.vn/default.asp?page=resources/program_resources/cg_meeting.

Other INGOs also displayed and distributed publications at both meetings.

In 2007, the NGO RC plans to reorganise the preparation process for these events to be more inclusive in order to mobilise input from a greater range of NGOs, WGs and networks. In addition, by promoting the display of NGO publications at the meetings, the NGO RC hopes to increase the 'visibility' of NGO work in Vietnam.

Campaigns

The NGO RC was a member of the INGO team developing the framework and activities for the 2006 Global Call to Action Against Poverty (GCAP) in Vietnam, in response to the Global GCAP campaign. The objectives of GCAP Vietnam 2006 were to:

1. Respond to the global call in the month of action (16 September-17 October 2006)
2. Influence pro-poor policies and their effective implementation
3. Raise awareness and mobilise public participation in poverty reduction, targeting trade justice, and governance for poverty elimination in Vietnam.

GCAP Vietnam was approved by the Central Party Committee in November and the Fatherland Front assigned to be the key actor implementing GCAP Vietnam in the long-term. The GCAP team organised a range of different activities during the autumn including talk shows, public walks, youth concerts, publication of newspaper articles, etc. For more information, please visit the GCAP section of the NGO RC website at

http://ngocentre.org.vn/default.asp?page=forum_and_working_groups/gcap_vietnam_2006.

In 2007, the Fatherland Front and INGOs will continue to organise GCAP in Vietnam. The team plans to mobilise a broader range of organisations and other stakeholders to take part in the campaign, while also broadening the breath and depth of awareness-raising on issues addressed by GCAP.

Dialogue & Advocacy

National Programme for the Promotion of INGO Assistance 2006-2010

In May, VUFO invited INGOs to provide comments on the draft National Programme for the Promotion of INGO Assistance 2006–2010 (NPP). The NPP was discussed at the INGO Forum meeting in May and the NGO RC compiled the comments and provided these to PACCOM. For more information, please visit the NPP 2006-2010 section of the NGO RC website at http://ngocentre.org.vn/default.asp?page=resources/operational_resources.

Vietnam Development Report 07

In June, World Bank Vietnam invited I/NGOs to provide input for the preparation of the Vietnam Development Report 07 (VDR 7) and the Poverty Reduction Support Credit 2006-2010, which focuses on policy actions for implementation of the SEDP 2006-2010.

Led by the NGO RC, a consultation process with I/NGOs began with a introductory meeting held in June, followed by the identification of thematic working groups and a common methodology in July, continued through working group meetings in August, and culminating with the distribution of working papers for comment and a workshop in September to collect final recommendations. Around 40 NGOs (including international NGOs and local NGOs) and more than 85 grass-roots disability organisations participated in the consultation process and four papers were produced:

1. Developing the Legal Framework for Strengthening Civil Society
2. Bottom up - Responsive Planning for Poverty Reduction
3. Realising the Rights of the Disabled
4. Improving Access to and Quality of Basic Education.

Several of the issues and policy recommendations raised in the papers were included in the VDR 07, in particular those relating to governance and social inclusion. For more information, please visit the NGO consultation on the Vietnam Development Report (VDR) section of the NGO RC website at

http://www.ngocentre.org.vn/Default.asp?page=NGO_Consultation_on_the_VDR.

Programme 135 Phase II

Towards the end of 2006, several initiatives were launched in order to strengthen I/NGO involvement in Programme 135 Phase II (P135-II), including a consultation meeting with MARD on the production of component guidelines, and a workshop held by CEMA on INGO experiences in relation to P-135-II. In addition, a database on I/NGO presence in P135-II communes is being prepared in order to provide CEMA with an overview of the extent of I/NGO activities in these areas. For more information, please visit the P135-II section of the NGO RC website at http://www.ngocentre.org.vn/Default.asp?page=program_135.

In 2007, the NGO RC, together with the Ethnic Minority Working Group (EMWG), will continue to develop collaboration with CEMA, the UNDP's VIE 02/001-SEDEMA, and related ministries and provinces on I/NGO involvement in P135-II. In general, the NGO RC hopes to plan, structure and coordinate the consultation efforts in a more proactive and strategic way, thereby facilitating a more relevant and effective use of resources to increase the impact of the consultation process.

LEGAL & OPERATIONAL ISSUES

In 2006, a number of issues and legal document revisions influencing INGO operations in Vietnam were proposed and discussed. These included:

1. Preparation and approval of the National Program for the Promotion of INGO Assistance (NPP) 2006–2010 (Decision 286/2006/QĐ-TTg)
2. Proposed changes in Personal Income Tax (PIT) liability for expatriate staff working for INGOs
3. Changes to the MoU between PACCOM and INGOs with Representative Office Permits
4. PIT liability of INGOs in the period between when the PIT ordinance was promulgated in 2001 and the extensive amendments issued in 2004
5. Decision on PIT liability for consultants
6. INGO audits carried out by Hanoi Tax Department
7. PIT guidelines
8. Revision of Decree 64

The Ministry of Finance proposed changes in PIT liability for expatriate staff working for INGOs, and this and other PIT issues were discussed in several meetings with PACCOM, related agencies and between INGOs. On December 29, the Prime Minister announced in official correspondence that he agreed to exempt foreign experts working for development projects (CV 7617/VPCP-KTKH). This document did not clearly state to what extent INGO expatriate staff might be exempt. The Ministry of Finance was appointed to coordinate the development of detailed guidelines. These guidelines will be decisive for the content and different types of permits issued by PACCOM for INGOs operating in Vietnam.

Regarding PIT liability for consultants working for INGOs, the General Department of Taxation released Decision 6170/BTC on May 17 stating that the collection of PIT for consultants will only be carried out from September 12, 2004 (two weeks after the amended PIT ordinance came into effect). PIT for consultants remains 10 per cent for local and 25 per cent for international consultants.

Hanoi Tax Department began auditing some of the larger INGOs in the last quarter of 2006. This audit will continue in 2007.

In relation to the detailed PIT guidelines distributed to INGOs by the General Department of Taxation (GDT) at a meeting held in May, INGOs in Hanoi should submit tax on salary and per diem to either the Hanoi Department of Trade or Hanoi Tax Department. INGOs in HCMC should still register their Vietnamese staff with FOSCO and pay health and social insurance, as well as PIT, to FOSCO. In both Hanoi and HCMC, tax should be submitted on a monthly basis. It was also announced at the meeting that the GDT will issue some detailed guidelines at a later stage.

The revision of Decree 64 has been finalised and was submitted to the Prime Minister for approval on January 10, 2006. However, Decree 64 can only be approved once the Law on Association is finalised. As Decree 64 is related to aid effectiveness and the control and monitoring of aid implemented through NGOs, the decree cannot be approved until the regulation of aid implemented by NGOs has been

defined in the Law of Association.

ORGANISATIONAL DEVELOPMENT & STAFF

The VUFO NGO Resource Centre Steering Committee

In 2006, the only change to the membership of the NGO RC Steering Committee (SC) was the new Managing Co-Director employed in April 2006. The INGO representatives remain the same:

1. Deepali Khanna/Plan Vietnam (from September 2004)
2. Carol Sherman/CARE Vietnam (from September 2004)
3. Daniel Selvanayagam/World Vision Vietnam (from September 2005)
4. Jeremy Stoner/Save the Children UK (from September 2005)
5. Patrick Burke/Academy for Educational Development (from September 2005)

The SC held three meetings in 2006. In March and May 2007, two new INGO representatives need to be elected for the SC, as two of the SC members are leaving Vietnam. The SC meets once every quarter.

Staff at the NGO RC

The staff positions remained unchanged in 2006, and included

1. A Managing Co-Director (full time): Mrs. Trine Glue Doan (from April 10)
2. An Administrator (full time): Ms. Do Thi Minh Hien
3. A Working Group Coordinator (full time): Mrs. Pham Thu Ha
4. An Accountant (part-time)
5. A Data Supporter (part-time)

In addition a number of Volunteers have been active at the NGO RC, including a Webmaster/IT support Volunteer, sponsored by Oxfam Quebec (from January to June), an Information Management Volunteer sponsored by Oxfam Quebec (from January to July), an IT Volunteer (from August to September), and Communication Advisor Volunteer, sponsored by Australia Volunteers International (from November and onwards).

INCOME & EXPENDITURE

The opening balance in 2006 was US\$25,775. The total income was US\$50,806 while the total expenses amounted to US\$62,636, which results in an operating deficit of US\$11,830, and a closing balance of \$13,945. NGO RC income in 2006 only covered 81 per cent of expenses, while the financial reserves covered 19 per cent. The deficit this year was caused by a shortage of sponsorship/grant funds, which were targeted to be around US\$20,000 but at this stage rests at around US\$4,000. The target of US\$20,000 was based on the average sponsorship/grant funds provided to the NGO RC from 2002 to 2005. In 2007 and 2008 it will be necessary for the NGO RC to mobilise around US\$20,000 in additional funds to have sufficient operating capital and to be able to maintain the cash reserves of the centre.

It has been suggested that the US\$20,000 in additional funds can be mobilised through sponsorships and/or grants from INGOs and/or donors, however, the funds could also come from increased membership fees.

THE YEAR AHEAD

In 2007, the NGO RC will pick up on the outstanding issues from 2006, including:

- improved provision of information services;
- strengthening the overall level and scope of WG activities;
- enhancing INGO input and feedback for the Partnership Groups; and
- broadening and diversifying the INGO input for the Consultative Group meeting.

The NGO RC will also continue to facilitate and support INGO involvement in implementation of campaigns and national programmes such as Program 135-II, as well as facilitating INGO participation in consultations organised by the Vietnamese agencies and donors.

Activities

NGO RC activities in the year ahead will also take into account overall changes in Vietnam's development achievements and challenges on the one hand and the increasing INGO involvement in Vietnam on the other. While Vietnam has achieved significant reductions in overall poverty, the characteristics of poverty are changing and are now clearly becoming concentrated within ethnic minority and other disadvantaged groups, including people living with HIV/AIDS, people living with disabilities, urban migrants, women and children, etc.

At the same time, INGO involvement is increasing in the country. In 2006, there were up to 600 INGOs involved in all 64 provinces of Vietnam and INGO activities are expanding into more sectors. The total INGO budget for 2007 in Vietnam is estimated to more than US\$200,000.

Strategic Focus

In 2007, the objectives of the NGO RC remains the same, but the NGO RC proposes the following strategic focus in 2007

1. Strengthen the NGO RC's ability to reach out and interact with members and other development actors nationally.
2. The role and challenges of INGOs in relation to the quality and effectiveness of aid to Vietnam.

The NGO RC's ability to reach out and interact with members and other development actors nationally will be strengthened by revising the NGO RC website to become more interactive and by organising meetings outside of Hanoi, including WG meetings and other meetings organised in collaboration with other development actors. In addition, the centre will aim to increase the visibility and participation of INGOs in partnership groups, national meetings, etc.

The role and challenges of INGOs in relation to quality and effectiveness of aid to Vietnam relates to both the global and national focus on aid effectiveness. To address the question of the challenges, the NGO RC will facilitate studies and discussions on challenges in the changing context and of the quality and effectiveness of INGO involvement in Vietnam, while also organising and supporting activities that enhance coordination and collaboration among INGO activities. Regarding the role of INGOs, the NGO RC will take an active role in the Partnership Group for Aid Effectiveness and other relevant forums both nationally and regionally.

Key result areas and detailed activities will be specified in the NGO RC's Activity Plan for 2007.