

Delivering Potable Water to Meet the Basic Needs of Healthcare in Rural Vietnam



(Above) Bin Luc Hospital is a case study for the SMP Global Leaders to build the Public-Private Partnership framework. Photo: Panos Vrahiotis

Water challenges in Vietnam

Amongst the developing economies in SE Asia, Vietnam is a rising country with huge potential for investors, which brings great hope for its 87 million people to attain a higher level of economic prosperity. Yet with this influx of money from various sources - private and donor aid – from outside the nation, still much of Vietnam's basic needs remain unmet. Over 75 percent of the population still live in rural areas and providing access to services such as clean water and sanitation remains a challenge. Over 80 percent of rural households lack latrines that meet basic hygiene standards which has led to most of the country's lakes and canals in rural and urban areas quickly becoming sewage sinks.



A contaminated river near Bin Luc Hospital that serves both as the water source and water discharge point for communities and district hospitals.

Photo: GIFT.

Government strives to meet its Millennium Development Goals (MDG)

In order to address this substantial water challenge, organisations across various sectors including government, hospitals, civil society and local communities have responded with immediate plans and funding at different levels. The national government of the Socialist Republic of Vietnam has issued several decision papers and target plans aiming to halve the share of people without safe drinking water and sanitation by 2015 according to the Millennium Development Goals set out by both the United Nations and Vietnamese government. Currently, the government is uncertain to achieve this MDG target. As a continued effort to meet this water demand, a new law titled “Social Mobilisation” has been passed to devise a new model for rural water supply.



Ms. Bui Minh Thu, vice-director of the Department of Health from Nam Dinh Province talks about the challenges of funding to district hospitals. *Photo: GIFT.*

Challenges for Hospital Management

District public hospitals receive a fixed amount of annual funding from the Ministry of Health that covers all operating costs, ad hoc infrastructural facilities, drinking water and wastewater treatment and medical waste disposals. Although the hospital management often see the water-related health risks to vulnerable patients, they are strained with limited funding to install or improve the necessary infrastructure in the hospitals. Such facilities are essential for a district-level hospital. However for additional funding, the hospital is required to apply to the respective government departments and go through extensive and often prohibitive approval processes.



(Left) Technician of the Bin Luc Hospital says that water is only supplied to the hospital for 4-5 hours per day. (Right) Relative of a patient is using water from a dug well to wash dishes after lunch. *Photos: GIFT.*

Building on Basics – The NGO sector



Currently about 70 percent of the nation's district hospitals do not have access to clean and potable water. Wastewater from roughly half of the total number is discharged untreated into waterways. Under such constraints on water supply and the failure of the Vietnamese government to provide adequate water services, many non-governmental organisations (NGO) are stepping in to help deliver clean water to healthcare in rural Vietnam. Lien Aid, a Singapore-based NGO, for instance, has focused on the hospital sector to offer safe water and sanitation solutions that are affordable, appropriate to the specific context and sustainable for individual district hospitals in communities.

Lien Aid launches different initiatives in Vietnam to deliver water to remote villages. Photo: Lien Aid

Solutions emerging from the bottom up – Former soldier works to resolve water problems

In the Ha Nam Province, a rural area 80 kilometres from the well developed Hanoi, Mr. Bui Ngoc Tuong, a former soldier of the Vietnamese army, is working to realise his dream of converting 3000 sq. meters of land into a water factory to supply treated water to the four communes nearby. Previously drafted into the army to serve in locating water resources, Mr. Tuong is keen to utilise his skills in another water-related context, becoming a water operator to deliver clean and safe drinking water to rural district hospitals and communities around Hanoi. Although one might assume entrepreneurship is beyond this retired soldier, Mr. Tuong is determined to resolve the persistent water challenges in his hometown province, having already invested significant time and personal savings.



(Right-above) Mr. Tuong is dedicated to serving his community with clean drinking water. Photo: GIFT



From plan to reality: (left-top) shows the plan of Mr. Tuong's water factory covering 3000 sq. meters of land and three of the water treatment plants shown are serving treated water to the nearby communities (left-bottom). Photos: GIFT

Bringing significant benefits to Vietnamese villagers

Mr. Nha Xa Van Tinh (right) from Moc Nam Commue is one of the beneficiaries of Mr. Tuong's existing water factory. He recalled the days before 2005 when the commune was not connected to proper drinking water and when, as a result, many of the villagers suffered from red-eye diseases, gastroenteritis and other water-borne illnesses. As public healthcare subsidies are minimal and private health insurance a luxury, admission fees to hospital puts great strain on a family's disposable income. With the supply of water in place in the commune, Mr. Nha Xa now enjoys a healthier and more productive life.



Bridging efforts – GIFT collaborates with Lien Aid and members of the Lee Kuan Yew School of Public Policy's Senior Management Programme in Vietnam



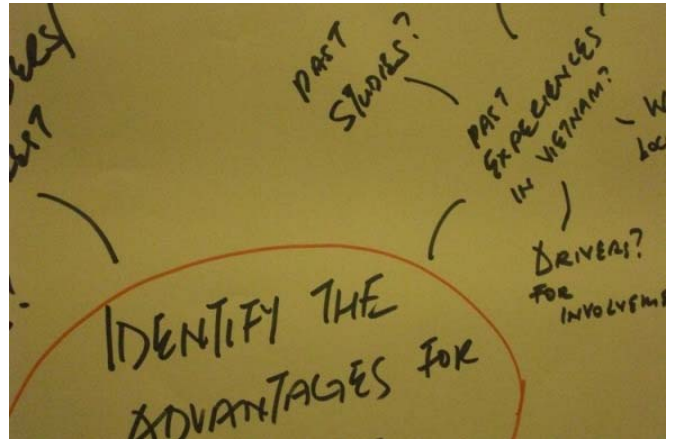
(Above) Mark Goh from Singapore's Urban Redevelopment Authority and Yazid Bin Abdullah from the Singapore Civil Defence Force come to understand the operations and funding issues for a district hospital.
Photo: GIFT

From the 10th to 16th of July, The Global Institute For Tomorrow (GIFT) collaborated with Lien Aid and the Lee Kuan Yew School of Public Policy in bringing senior government officials from Singapore, China, Hong Kong, Brunei and Botswana, as part of the Senior Management Programme (SMP), to propose an alternative approach to water challenges in Vietnam. Through the many interviews with the central and district governments, hospital



(Above) Raja Sekaran, Superintendent of Singapore Police Force and Zhou Saixing, Counselor of Ministry of Foreign Affairs (China) interview a technician from Bin Luc Hospital to learn about the daily water supply in the hospital. (Right) Brainstorming map drawn by SMP participants to summarise the findings from the field. *Photos: GIFT*

management and communities, the SMP Global Leaders quickly identified gaps between the related parties. Their research yielded a rich raft of information and data which formed the basis for a Private-Public Partnership (PPP) model which could be funded and operated through a partnership of government (either provincial government or district hospital) and one or more private sector companies.



This PPP model that the SMP participants devised would allow private companies to apply management skills and financial acumen to deliver critical public services and provide an optimum way to secure improvements in such services. It is also closely aligned with Vietnam's "social mobilization" policy, whereby government could involve private enterprises in water projects through new regulations for rural water supply.



(Above) Dr. Thomas Tang, Executive Director of GIFT and Jackie Liw, Chief of Staff from Singapore Police Force work together on the business plan. *Photo: GIFT*



The model developed through the SMP Global Leaders Programme, provides efficient and decentralized low cost water and sanitation solutions to rural hospitals. Key considerations are that the risks shared among all parties and that the water tariff be affordable for communities. A return of 10 percent on investment should be achieved over the lifespan of the capital works. The model was enhanced through a steady stream of projected revenues, tax reductions, exemptions and use of land which serve to attract private investors to the projects.

(Left) SMP members from Singapore and Hong Kong push each other to get the business plan finalised. *Photo: GIFT*

Blueprint for a Better Future



(Above) School children in rural Vietnam smiled for the camera. *Photo: GIFT*

In return, the hospitals will have reliable clean water supply delivery and waste water treatment facilities according to approved standards. The PPP model developed by the SMP Global Leaders invites joint efforts from the government, hospital, NGO and local communities. With the strong support of all of these stakeholders, the PPP model creates a blueprint for sustainable water resource management in rural public healthcare for a better Vietnam.



(Above) Participants on the SMP Global Leaders Programme pause for a picture in front of Bin Luc Hospital during the site visit in Ha Nam Province. *Photo: GIFT*

If you are interested in the business plan and the opportunity to invest in this unique project, please contact GIFT on enquiry@global-inst.com. For further information, please visit our website at: www.globalinstitutefortomorrow.com