

Achieving Greater Budget Transparency in Viet Nam

A transparent public budget process can hold governments accountable to their citizens which in turn builds public trust. To achieve greater transparency in public finance management, the Vietnamese government decided to make a step further in making its budget open to citizens, and adopted an improved process in which people can have a voice in budget decisions. As a result of GIZ's support, on behalf of the German Federal Ministry for Economic Cooperation and Development, Viet Nam's public budgets are better presented, more accessible to citizens and the country's Open Budget Index ranking greatly improved.

APPROACH

A participatory budgeting approach allows citizens to be informed and engaged in the process. Therefore, information must be communicated in an easy way for non-experts to understand. GIZ has been cooperating with the Ministry of Finance (MOF) in the development and dissemination of this kind of citizen-friendly Budgets since 2017.

GIZ provided the best international practices and helped the Ministry to develop and disseminate two reports per year. Our advice includes how to make the budgets reader-friendly through simple data visualization and straightforward explanation and how to reach a broad range of population.

The GIZ-MOF team documented regulations on budget disclosure and development of citizens budget into a technical manual. It includes a description of the budget disclosure process and timelines for both national and subnational levels.

“GIZ provided effective support to the MoF by sharing international experiences and technical advice. These practices are extremely useful for us at the MOF to develop budget reports and suggest suitable ways to distribute them to a wide range of recipients. Citizens budget brings people closer to authorities and improves the transparency and accountability of the government. Furthermore, it helps us meet international standards in budget disclosure and transparency.”

Mr. Nguyen Minh Tan, Vice General Director of the State Budget Department at the Ministry of Finance.

RESULTS

- ❖ In its Open Budget Index, which is published every two years, the International Budget Partnership recorded Viet Nam's score of 44 in 2021, more than double that of 2012.
- ❖ In the past, the public budgets were not published on the MOF's website on time, due to the lack of regulations on timeline and public engagement in the budget process. Nowadays, these budgets are published and distributed within a set timeframe.
- ❖ MOF uses different distribution channels to ensure the best outreach of public budgets to the population. These include website, print and digital media, and through People's Councils, unions, and mass organisations such as the Women's Union, the Viet Nam Fatherland Front.
- ❖ The new participatory budgeting approach with introduction to the citizens budget has been successfully implemented at national level, and is ready for scaling up at subnational level.



2. The revenue structure is more sustainable. The share of domestic revenue in total state budget revenue is increasing.

