

# E-Government in Vietnam Its Role, Challenges and Suggestions

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In recent years, the concept of an E-Government has become familiar, especially after the PM decision to cancel the notorious Project 112 on computerization of the administrative activities for the years 2001-05. In Vietnam and foreign countries as well, a lot of workshops have been held on this issue. The UN makes an enormous report on the readiness for the e-government in some 200 countries every year. The World Bank has also carried out important surveys of the e-government. In

the e-government is the use of information and communication technologies by government to implement its functions more effectively and by the public to take part in the administration.

There are four main types of transactions in the e-government: government to citizen (G2C), government to business (G2B), government to employee (G2E) and government to government (G2G).

Objectives and activities of these types of transaction are presented in the following table.

ing governmental bodies supply public services faster, and more effectively and responsibly; (2) Encouraging application of ICT, providing a dynamic for development of the private sector, and improving competitiveness; (3) Limiting corruption, making policies more transparent and allowing the public to engage in policy-making process; and (4) Encouraging developments of related fields.

Developing the e-government faster and more effectively is an urgent and decisive factor of the

<b>G2C</b> <b>Objectives</b> The government supplies better services to, and improves relations with, citizens. <b>Activities</b> - Getting access to information about various problems, such as social benefits, policies, financial support, official documents, etc. - Personal services: social services, allowances, taxes, and borrowings, etc.	<b>G2B</b> <b>Objectives</b> - Better services for businesses - Lower public expenditure by making use of e-commerce <b>Activities</b> - Supply of overall data - Participation in the e-commercial market to gain cost-effectiveness
<b>G2E</b> <b>Objectives</b> Improving the performance of government's internal management <b>Activities</b> - Reorganizing internal operations and applying advanced methods - Providing government's employees with such services as training, salary payment, touring, etc.	<b>G2G</b> <b>Objectives</b> Beefing up cooperation between governmental bodies of all levels and localities <b>Activities</b> - Sharing and supplying database from the central to local levels - Connecting related agencies

Vietnam recently, a workshop on this issue was held on Aug. 24, 2007 in Hà Nội and a bigger one will be held in HCMC on Dec. 5 and 6 with the participation of high-ranking officials from the central government and leading experts.

## 1. On the concept of the e-government

Up till now, there are a lot of definitions of the e-government. They differ over countries, international organizations and researchers but the common idea of

The common objective for the four types of transactions is to make relations between the government and other parties friendlier, more transparent and effective based on higher interactivity. If this is done well, the role of the e-government is very great. The OECD has considered the e-government as a command.

## 2. The role of the e-government

Successful implementation of the e-government may produce specific results, such as (1) help-

socioeconomic development in Vietnam in years to come. The e-government can help solve topical and long-lasting problems, such as administrative reform, struggle against corruption, and poor competitiveness of the economy.

In Vietnam, many plans, although small, to build the e-government have been carried out and started to produce good results. Some of them are the plan to build the electronic customs services in HCMC



([www.haiguan.hochiminhcity.gov.vn](http://www.haiguan.hochiminhcity.gov.vn)), open a national information portal ([www.ecvn.com](http://www.ecvn.com)), build a website for the central government ([www.chinhphu.vn](http://www.chinhphu.vn)), allow online business registration in HCMC ([www.hochiminhcity.gov.vn/rihgt/dichvu](http://www.hochiminhcity.gov.vn/rihgt/dichvu)), and supply law documents through the website of the Ministry of Trade and Industry ([www.mot.gov.vn](http://www.mot.gov.vn)). These plans have contributed a lot to cuts in cost and time for businesses. Moreover, in 2007, the President, the PM and some high-ranking officials had online conversations with the public. According to the study publicized on July 24, 2007 by the research group from the Brown University under direction of Prof. Darrell M. West, Vietnam ranked 89 among 198 surveyed countries in terms of the development of the e-government (its 2006 rank is 126).

However, introduction of the e-government to all provinces and fields, and ensuring its benefits for all classes are great challenges to Vietnam in the coming years.

### 3. Challenges

Demonstrating benefits of the e-government is one thing and realizing them is another. There are always problems arising from major ICT projects because of both external and internal barriers. The internal ones come from lack of willingness and cooperation of conservative bureaucrats while the external ones include legal infrastructure, technical facilities, financial source, and digital divide, among others.

The legal infrastructure implies many challenges, such as legitimacy of electronic and traditional transactions; share of information, resources, and responsibility among governmental bodies; transparency of laws and the bulk of subordinate legisla-

tion as a basis for cooperation and mutual support among governmental bodies. Reality shows that laws are very slow to produce their effects. In November 2005, the Electronic Transactions Law was promulgated, but the first decree (26/2007/NĐ-CP) on electronic signature and related services only came into being on Feb. 15, 2007. Moreover, decrees are not always implemented in all fields. In the financial sector where the e-commerce proves to be the most important and easy to apply, the first decree (27/2007/NĐ-CP) on the e-commerce only came into effect in March 2007.

Financial and technical issues, and access to the digital technology for all classes in such a developing country as Vietnam are also challenges. Plans to build the e-government always require big investments in infrastructure, training and implementation. The Project 112 (cancelled now) is a good example. According to reports by its managing board, the Project has consumed VND3,730 billion up to September 2003 (Vietnamnet, April 23, 2007). In addition, incompatibility between hardware and software used by governmental bodies of various levels and provinces is also an obstacle. The digital divide and inequality of chance to get access to ICT applications can't be solved quickly. Although the number of Internet users in Vietnam equaled some 17.6% of the population in 2006; and rose to 20.46% in August 2007, while the world average is 16.63% ([www.vnnic.net](http://www.vnnic.net)), most of them are young people who live in big cities. Most of residents in rural areas and provincial towns find it very difficult to get access to, and use, the Internet for their businesses.

Thos biggest obstacle, however, is human barrier, or more exactly, their knowledge and

mentality. As long as most civil servants want to make a living on the stamps they are holding, failure of e-government development projects is inevitable.

### 4. Suggestions

The WB has offered many opinions about the development of the e-government to policy makers from all over the world. The following are some suggestions most appropriate to Vietnam's conditions, especially after the failure of the Project 112.

- Determination of leaders: The determination comes from knowledge of e-government and ICT, and a radical mentality. It's hard to build such preconditions in the leadership of all levels of the administrative machinery.

- Simple and transparent procedures: Such procedures can limit discrimination by civil servants and allow citizens to check civil servants' way of fulfilling their tasks.

- Laws and policies: Laws should recognize electronic transactions and documents. Obstacles to the implementation created by laws can be discovered by examining complaints from the public.

- Allocation of funds: Priority should be given to quickly productive and sustainable projects, especially short-term and feasible ones because of the current shortage of fund

- A close watch on implementation of projects: Regular estimates of speed and efficiency of projects to build the e-government should be made to know if objectives are ensured. Supervision should be assigned to independent organizations

- Human resource: Besides regular training courses, a detailed timetable of the implementation; regular meetings of leaders and employees of the project, and various forms of incentives are also much needed.■