

# **Vietnam Infrastructure and Development Context Brief (seed)**

## **Purpose**

Country context for JICA proposal drafting. Not an official document.

## **Economic and political context**

Vietnam is a single-party state governed by the Communist Party of Vietnam.

GDP growth averaged ~6-7% pre-COVID; manufacturing-led export economy.

Middle-income country transition brings shifting ODA terms (more loans, less grants).

## **Key decision-making ministries for JICA cooperation:**

- Ministry of Planning and Investment (MPI): ODA coordination.
- Ministry of Finance (MoF): loan management.
- Ministry of Construction (MoC): urban infrastructure.
- Ministry of Natural Resources and Environment (MONRE): environmental management.

## **Infrastructure context**

Vietnam has invested heavily in infrastructure through ODA and domestic budgets.

- National Highway development ongoing (North-South Expressway).
- Urban metro systems under construction in Hanoi and Ho Chi Minh City.
- Significant backlog in secondary city infrastructure (water, roads, solid waste).
- Rural infrastructure in mountainous provinces remains underdeveloped.

## **Key infrastructure challenges:**

- Quality control in construction: corruption and contractor capability risks.
- O&M; budget allocation: projects well-built but poorly maintained.
- Slow land clearance processes delaying project implementation.
- Complex inter-ministerial coordination for large infrastructure.

## **Water sector context**

- Urban water supply: coverage ~85% in urban areas, variable quality.
- Wastewater: Ho Chi Minh City and Hanoi have partial treatment; most cities discharge untreated.
- Rural: piped water coverage ~70%; mountain areas rely on springs and gravity systems.
- Key actors: local water supply companies (WSCs), provincial DPC Urban Construction Departments.

## **Climate vulnerability**

- Mekong Delta: saltwater intrusion threatening freshwater supply and agriculture.
- Central coast: high flood and typhoon exposure.
- Northern mountains: landslides and flash floods.
- Climate adaptation investment is a policy priority under Vietnam's NDC.

## **Data landscape**

- General Statistics Office (GSO): socioeconomic data.
- MONRE: environmental and water resource data.
- Ministry of Construction: urban infrastructure data.
- VWSA: water sector performance data.
- ADB and World Bank country diagnostics available.