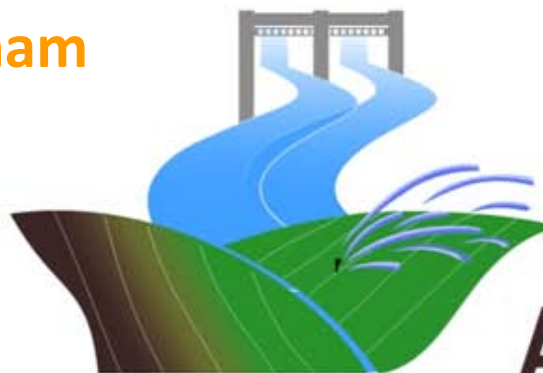


Impact of Abolishing ISF on Management and Exploitation of Hydraulic Works and Irrigation Service to Farmers' Agriculture Production

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**Asian
Irrigation Forum**

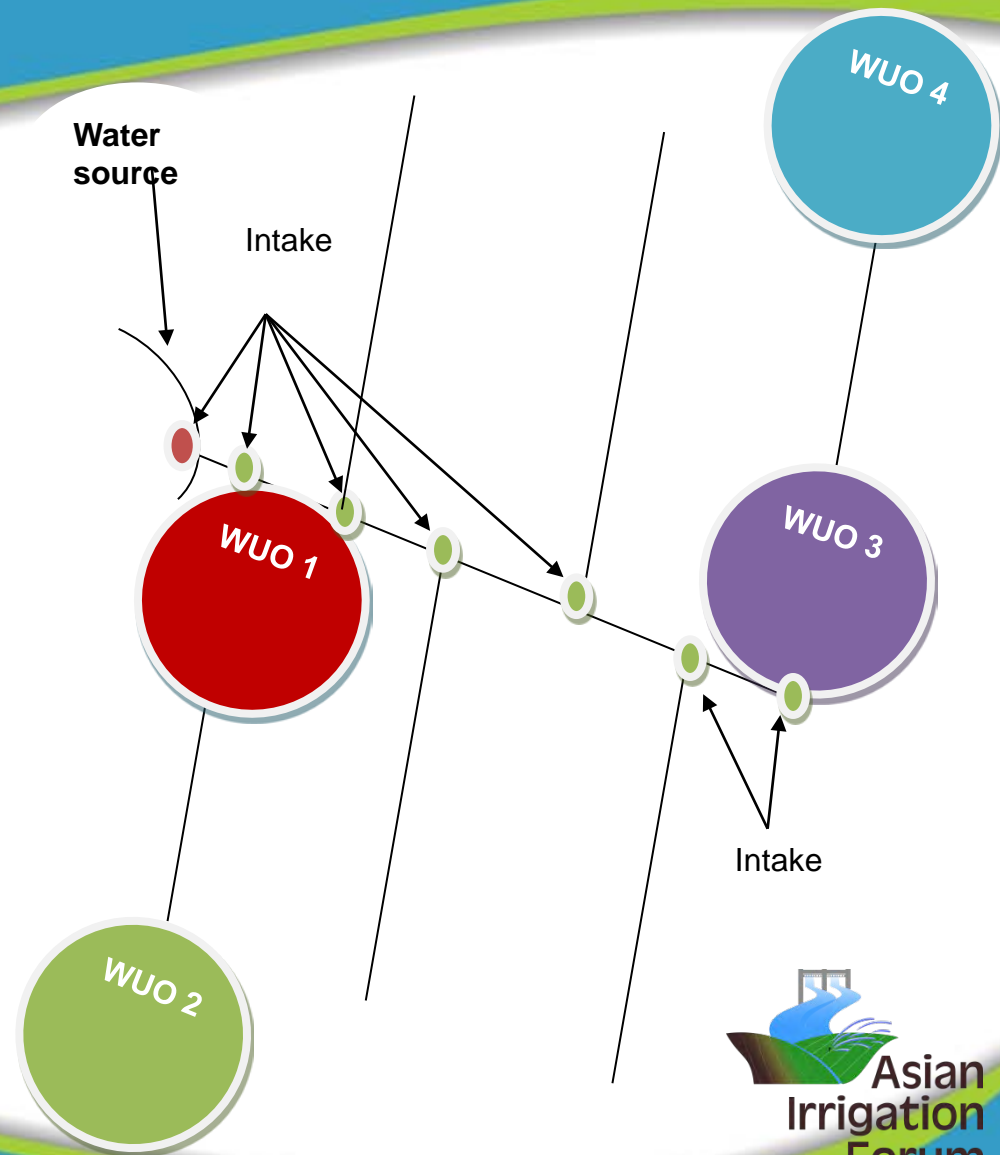
11-12 April 2012 • Asian Development Bank, Manila, Philippines

I. INTRODUCTION

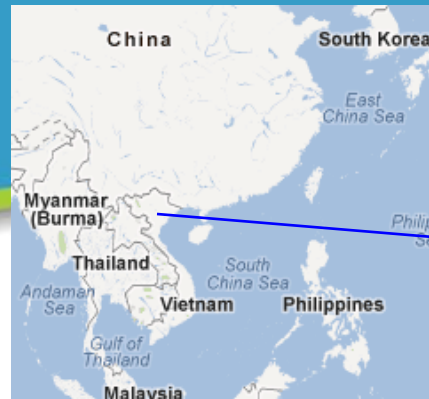
- Before 2008, **farmers** in Viet Nam had to **pay ISF to IMCs & WUOs**:
 - (a) Collected fees were insufficient for operation
 - (b) Repair & maintenance of irrig. systems often neglected
- **In 2008, the gov't abolished the system level ISF**:
 - (a) state pays the ISF to IMC on behalf of farmers
 - (b) farmers pay on-farm irrig. system management fee
(with ceiling stipulated by local provincial authorities)
- **Concern**: weakening farmer's voice in irrigation management that led to decreasing irrigation system performance

II. METHODOLOGY

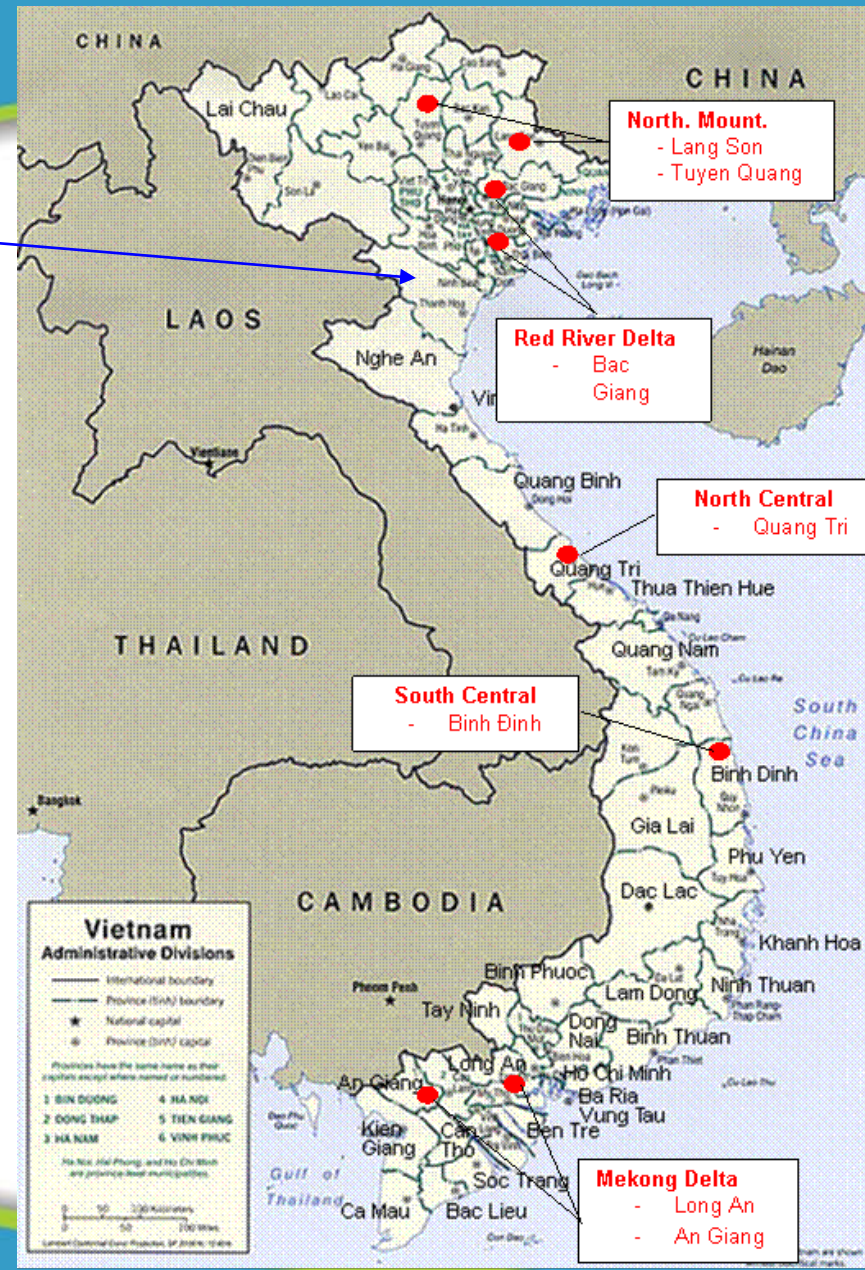
- (1) Irrigation management organizations' assessment**
- (2) Farm household assessment**
- (3) After-before analysis**



II. METHODOLOGY



●Field survey was carried out, from June 2011 to February 2012, in 8 provinces of main economic regions of Vietnam.

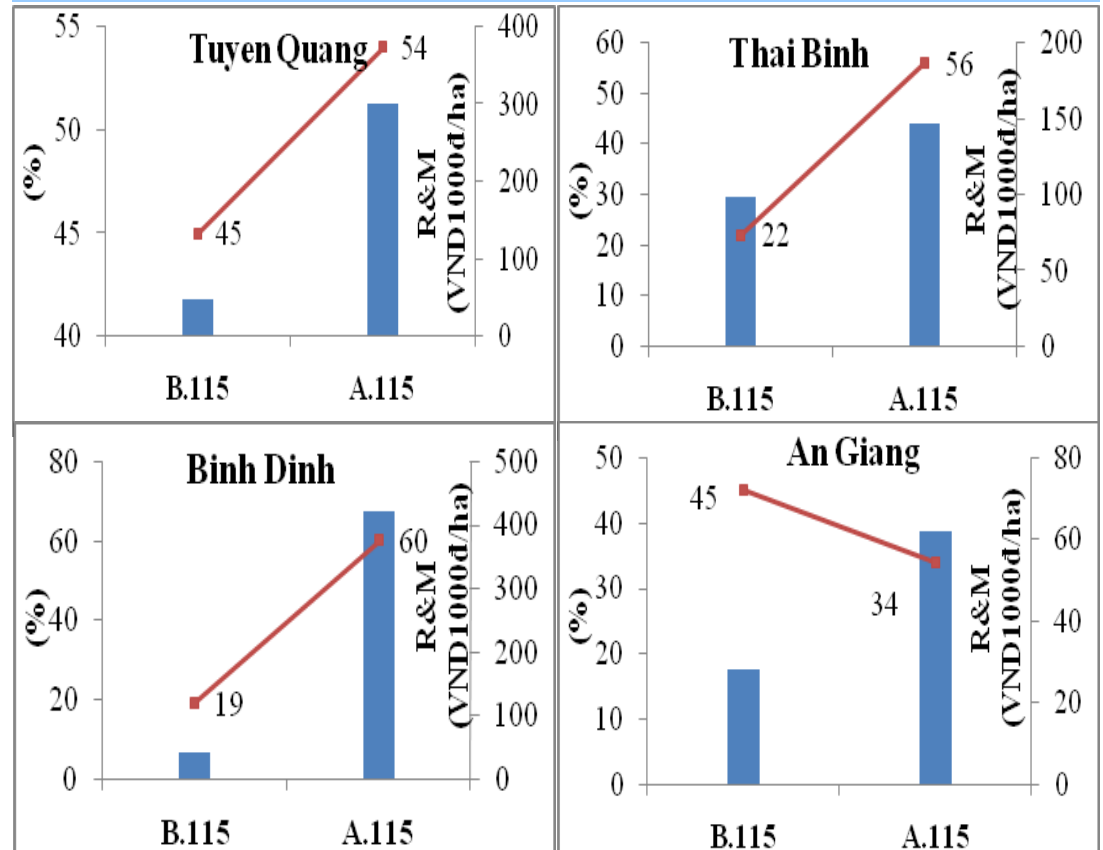


III. RESULTS AND DISCUSSION

3.1. Impact on the O&M activities of irrigation management organizations

- Increased money for repair & maintenance activities

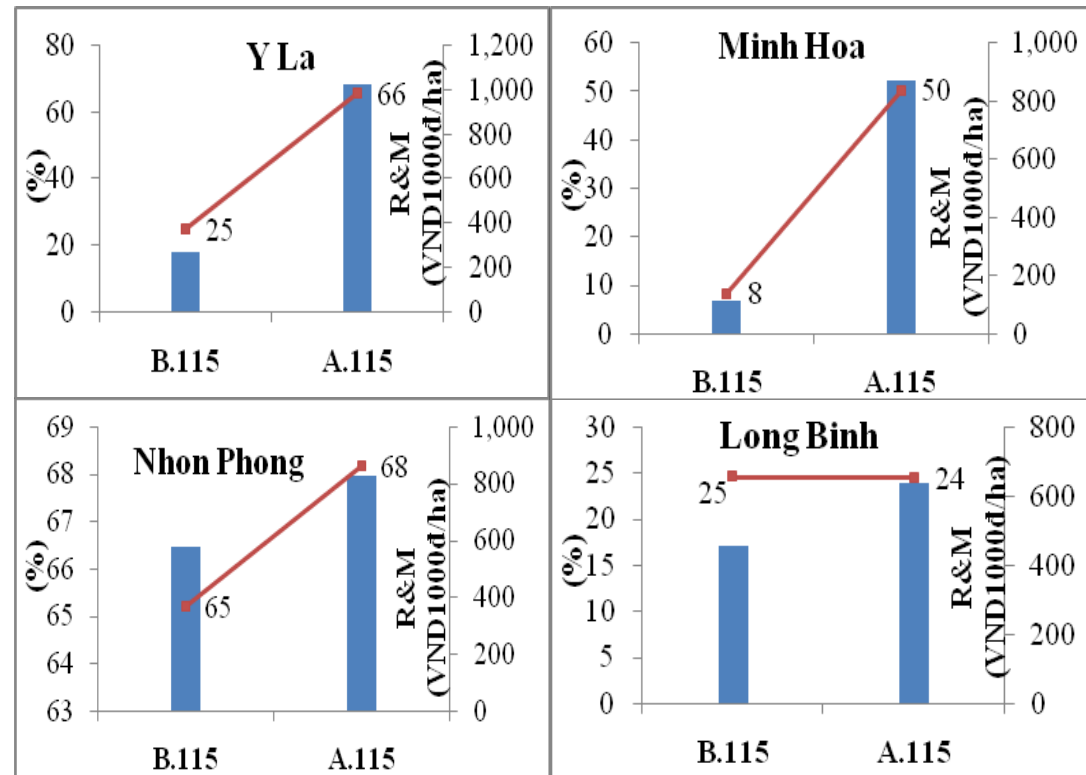
Expenditure on repair and maintenance activities - IMCs



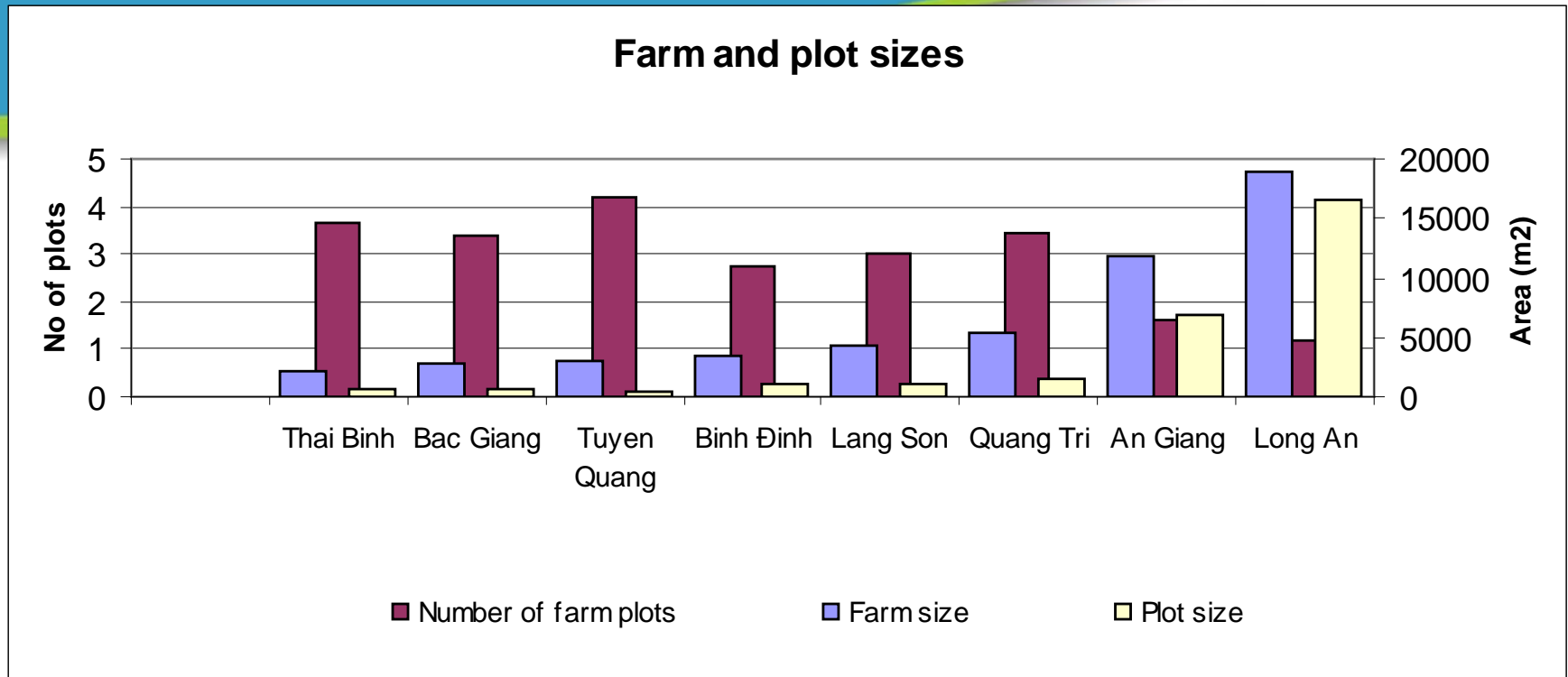
3.1. Impact on the O&M activities of irrigation management organizations

Expenditure on repair and maintenance activities - WUOs

- Enforcement for establishment of WUOs capable of receiving ISF compensation
- The platform for farmers-water service providers' interactions seems to be loosening



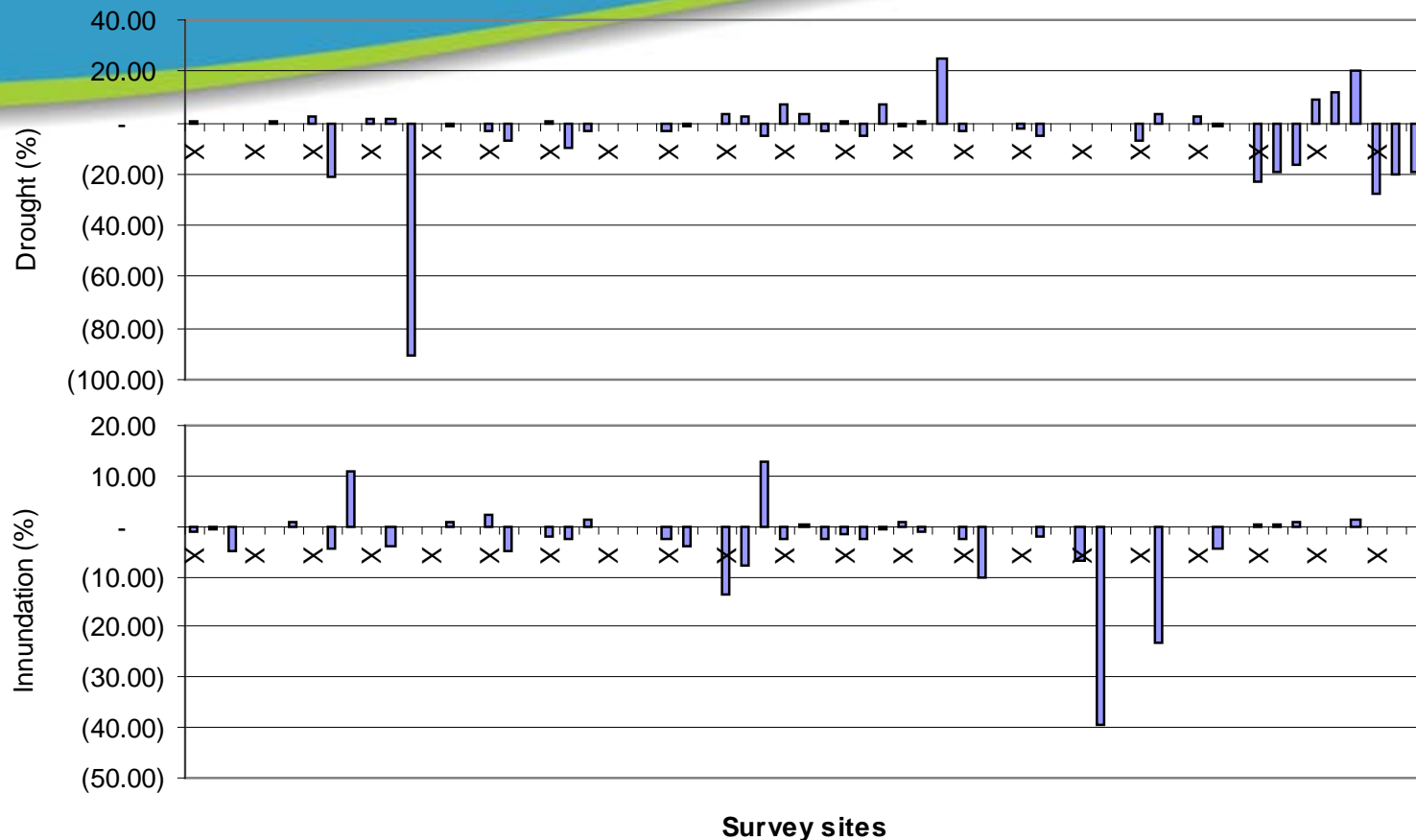
3.2. Farm land



- Red River Delta, Northern Mountainous Region (0.2-0.3 ha covering 3-4 plots);
- Central region (0.8-1 ha covering 2-3 plots)
- Mekong Delta (1-2 ha covering 1-2 plots).

3.3. Impact on water users

i) drought and inundation area decreased



Change in drought and inundation areas (After - Before implementation of 115 decree)

Note:

Drought (%): Difference of the percentage of drought area/total crop area

Inundation (%): Difference of the percentage of inundation area/total crop area

3.3. Impact on water users

ii) Satisfaction to irrigation services provided by IMC &WUO

- Increase in farmers' satisfaction with irrigation services

Survey sites		Spring crop									
		Score									
		1	2	3	4	5	6	7	8	9	10
Pro- vince	WUOs	Difference (after-before) of the percentage of the households giving a certain score/total households number of responded (%)									
An Giang	Long Dien A	-	-	-	-	-	2	(8)	4	-	2
	An Thach Trung	-	-	-	-	-	(6)	(12)	18	-	-
Binh Đinh	Nhon Phong	-	-	(8)	(14)	(27)		(4)	26	6	22
	Nhon Hau	-	-	-	-	-	(4)	(4)	(13)	13	8
Thai Binh	Chi Hoa	-	-	-	-	-	(8)	(28)	(28)	16	48
	Minh Hoa	-	-	-	-	4	(23)	(19)	25	8	4
	Tan Le	-	-	-	-	(20)	(28)	28	20	-	-
	Hong An	-	(12)	4	4	(4)	(4)	12	-	-	-
Tuyen Quang	Y La	-	-	(8)	-	(4)	(4)	(6)	(16)	4	34
	Trung Mon	-	(2)	(6)	(14)	(10)	2	(18)	42	6	-

3.3. Impact on water users

ii) Satisfaction to irrigation services provided by IMC & WUO

Survey sites		Summer crop									
		Score									
		1	2	3	4	5	6	7	8	9	10
Province	WUOs	Difference (after-before) of the percentage of the households giving a certain score/total households number of responded (%)									
An Giang	Long Dien A	-	-	-	-	-	2	(6)	2	-	2
	An Thach Trung	-	-	-	-	-	(8)	(10)	18	-	-
Binh Dinh	Nhon Phong	-	-	(8)	(16)	(29)		(6)	32	12	16
	Nhon Hau	-	-	-	-	-	(6)	(4)	(6)	13	4
Thai Binh	Chi Hoa	-	-	-	-	-	(4)	(21)	(38)	16	47
	Minh Hoa	-	-	-	-	4	(5)	(34)	15	20	-
	Tan Le	-	-	-	(4)	(13)	(34)	28	24	4	(4)
	Hong An	-	(12)	4	4	(4)	-	8	-	-	-
Tuyen Quang	Y La	-	-	(4)	-	(6)	(4)	(8)	(16)	2	36
	Trung Mon	-	-	(6)	(6)	(24)	4	2	26	4	-

3.3. Impact on water users

iii) On-farm ISF payment

•Payment made through the negotiation →

•Fee collected, based on users agreement →

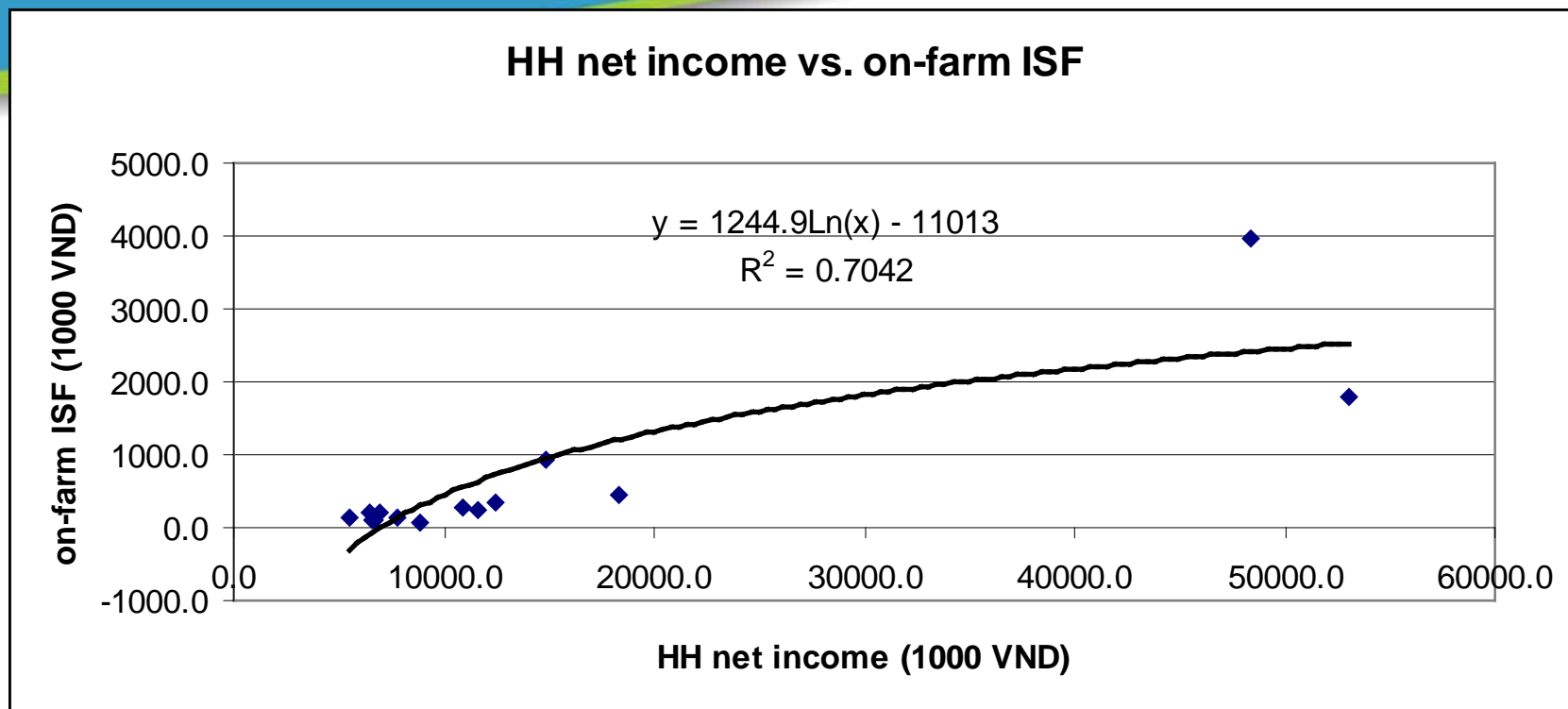
•WUOs enjoined good compensation →

•Transferring on-farm irrigation management to village community →

Province	WUOs	On-farm ISF (VND 1000/ha)	
		<i>Before 115</i>	<i>After 115</i>
An Giang	Long Dien A	2,820.00	3,300.00
	An Thach Trung	1,320.00	1,494.00
Long An	An Ninh Đông	592.86	193.85
Quang Tri	Gia Do	1,250.00	1,710.00
	Đon Que	1,886.40	800.00
Binh Dinh	Nhon Phong	1,089	810
	Nhon Hau	2,800	1000
Thai Binh	Chi Hoa	1,894.40	622.20
	Minh Hoa	2,216.67	544.44
	Tan Le	2,187.50	972.22
	Hong An	1,458.33	534.72
Tuyen Quang	Y La	1,500.00	688.89
	Trung Mon	1,500.00	444.44
Lang Son	Minh Tien	833.33	555.56
Bac Giang	Nghia Hung	1,238.00	250.00
	Tan Thanh (San village)	1,458.33	1,388.89

3.3. Impact on water users

iii) On-farm ISF payment



Household income from paddy rice production and payment for on-farm ISF

- On-farm ISF payments were closely correlated to household income from paddy rice production

IV. RECOMENDATIONS

The implementation of Decree 115 brings **positive impacts** on O&M of irrigation systems with increases in farmers' satisfaction. However, the gov't needs to do more:

- **Personnel & financial resources** of local irrigation divisions, in-charged of guiding & judging implementation at local level, need to **be increased**
- **Capacity building** through participatory approach and learning by doing process; and create a mechanism that allows use of state compensation for capacity building
- Establish a **mechanism for effective spending** of the state compensation

IV. RECOMENDATIONS (cont.1)

- There is a need to form sound strategies for on-farm irrigation management that are best fitted to location specific constraints:
 - 1) In areas where rice production has brought high household income & higher willingness to pay, such as in Mekong River Delta, all organizations in the supply of irrigation/drainage service should be brought into play; Should **explore new Public Private Partnership (PPP) models** in Cuu Long Delta;

IV. RECOMENDATIONS (cont.2)

- 2) In central and Red River Delta regions, forms of **bidding models** should be tested for effective use of ISF compensation; There should be mechanisms for **WUOs to increase on-farm irrigation fees** based on water users' consensus;
- 3) In areas with low income from paddy production, the **role of villages and hamlets** in management of on-farm irrigation systems should be encouraged; and
- 4) **Increase farm household** income from agricultural production is a way to improve farmers' contribution and thus on-farm irrigation management.