
Clean Water supply & Rural Sanitation in Vietnam

CLEAN WATER FOR A BETTER FUTURE



Vietnam Bank for Social Policies

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I. CHALLENGES

In the 2000s, only 48% of rural households in Vietnam had access to clean water, compared to 82% of urban households. It was estimated that only 16% of rural households had access to water supply meeting clean water standards. Access to hygienic sanitation facilities was equally low. Many rural households used untreated water from dug wells, rivers, ponds, streams or irrigation canals. Existing rural water supply and sanitation schemes tended to be inappropriately designed as well as poorly constructed and maintained. In many cases, schemes were deemed financially unsustainable as tariffs did not adequately cover the cost of operation, maintenance and repairs; and were dependent on substantial subsidies to continue operation.

In 2002, nearly 3 million people in the Red River Delta were poor (17% of all poor households in Vietnam). In these areas, health was affected by the prevalence of water-borne diseases and inadequate personal hygiene. The underlying cause of these health issues was related to the lack of safe water and sanitation.

II. SOLUTIONS

Since 1999, Vietnam Government implemented national strategy on safe water and rural sanitation. On August 25th, 2000, Prime Minister issued Decision No. 104/2000/QĐ-TTg on approving this national strategy about supplying safe water and sanitation in rural areas. The objective was that, by 2020, all rural residents could use safe water as national standards with at least 60 liter/person/day, use hygienic toilets, and live in a village or commune which is kept clean.

In order to increase the number of households accessing to clean water supply and sanitation in rural and mountainous areas, Vietnam Bank for Social Policies (VBSP)

has launched the support program on safe water and sanitation. The program includes two components:

- **Communication** and **financial literacy** in order to change behaviors about water and sanitation issues within communities
- Provide **low-interest loans** for rural households to build or rehabilitate hygienic toilets and sanitation facilities improving good health, living conditions and promote socio-economic development in rural areas

The program was piloted in 10 pilot provinces in Vietnam including Son La, Hai Duong, Nam Dinh, Ninh Binh, Nghe An, Khanh Hoa, Binh Thuan, Dak Lak, Tien Giang, Kien Giang in 2004 - 2005. The successful model of this project has been now expanded into a national program in all provinces and cities across the country from 2005 up to now.

III. RESULTS

Over the past 15 years, the program has achieved the following outcomes:

- Almost **6 million rural households** nationwide (equivalent to 24 million individuals, 4 members/household on average in Vietnam) accessed communication and financial literacy on water and sanitation issues.
- **6 million rural households** accessed low-interest loans to build or rehabilitate more than 11 million hygienic toilets and sanitation facilities with total lending volume of more than 50,000 billion Vietnamese dong.
- Total outstanding loans of the program reaches nearly **33,000 billion Vietnamese dong** and the default rate is very low at 0.17% as of May 21, 2019.
- More than **6 million sanitation facilities** and **5 million hygienic toilets** were built for rural households.
- Over **90% of households** were reported to be highly satisfied with services.

IV. PROGRAM IMPACTS

FOR THE NATIONAL ECONOMY

- Thanks to Safe Water and Rural Sanitation Program, rural households accessed low-interest loans to build, upgrade or repair safe water and

sanitation facilities meeting national standards, thereby improving health, living conditions, and promoting rural socio-economic development.

- Thanks to the financial scheme from VBSP to build, modify or upgrade the models of water supply such as drilling well, building water filter and water tank, the rural households - especially residents and ethnic minority - in mountainous areas can use clean water without going a long way.
- In highland areas, severe drought areas or the areas affected by alum, rural residents have to buy water for daily activities for high prices. It even accounts for 30% of total income of the household per year. Therefore, this program has helped rural households reduce expenses of water and save money for economic development.
- Limiting diseases, especially those related to water and sanitation such as typhoid, diarrhea, fever and cholera, so that people can reduce medical expenses and improve their health.

FOR THE SOCIETY

- Improving living conditions for residents and contributing to building new countryside
- Forming a cultural and civilized lifestyle, raising the awareness of protecting the environment in all places, especially in mountainous and remote areas. Gradually eliminating dated unsanitary practices of rural people and ethnic minorities living in remote areas. Limiting the disparity in living conditions between rural and urban areas. Contributing to limit migration towards urban areas and free migration in areas where water is scarce. Restricting serious unsanitary status in many areas.
- Increasing the number of households using clean water is one of the important goals in improving the quality life of people, especially in rural areas. Contributing to completing the criteria of the environment in the new rural construction. The program has brought many practical effects such as improving the quality life of people, contributing to gradually narrow the gap between rural and urban people and changing the recognition awareness of rural people about benefits of using clean water and sanitation.

FOR THE RURAL ENVIRONMENT

- Having built over 5 million rural sanitation facilities: toilets, toilets with biogaz tank, animal lodging, waste water and garbage treatment has contributed to reducing pollution, protecting the quality of water resources and making the landscape of countryside even more beautiful.

Model of Biogaz tunnel provides fuel for daily life, contributes to limiting deforestation and improves the organic fertilizer source for afforestation.

The results of the program have contributed to making the rural environment and public areas significantly improved, therefore, "green-clean-beautiful" landscape are appearing in many villages.

- In the past, people did not have enough money to install pipelines from the main axis into the house, however, now thanks to preferential capital of VBSP, many centralized water supply facilities have been put into use and promoted water supply capacity, bringing remarkable efficiency and improving the quality life of people.
- The availability of clean water sources is always expected by many residents because water sources are being affected by climate change, severe saline intrusion, and droughts. Thanks to this program, the pressing need for clean water of people has been partly solved.

V. SOME SUCCESSFUL CUSTOMERS STORIES

“Since we got clean water, our life has improved much, our house and all facilities are much cleaner. We no longer have problems”

Residents at Thuan Bac province, Ninh Thuan province, Vietnam



“Thanks to these clean water resources, we do not have to worry about our health anymore. Therefore, we can concentrate on developing our family’s economy and escape from poverty”

Residents of Bahnar ethnic group of Vietnam



“In the past, the water resources in our village were very scarce. However, from now, we feel very happy because we have clean water to use for daily activities”

Residents at Ke Sach district, Soc Trang province, Vietnam



VI. MOVING FORWARD

The successful model of this program is now being expanded into a national target one with \$2,173 billion credit aiming to increase sustained access to water supply and sanitation services. The integrated approach used in the project, which included rural water and sanitation enterprises, hygiene promotion, sanitation financing and efficient civil works contracts, has been highly evaluated as a pioneer innovation by the Vietnam Government.