



MINISTRY OF CONSTRUCTION

SUMMARY OF LEGAL DOCUMENTS RELATED TO SEWERAGE AND DRAINAGE SECTOR IN VIETNAM

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Tokyo, October 2011

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1. Summary of Urban Sewerage

- **The combined drainage/sewerage system is mainly being used (for both stormwater and wastewater).**
- **Centralized sewage treatment plants are not available in most urban areas.**
- **Domestic waste water is usually pretreated by septic tanks and discharged into sewers and finally to environment.**
- **60-70% of urban population can access to sewerage services.**
- **50% of sewers have been damaged; 30% degraded.**
- **There are problems in management, insufficient human resources, equipment, budget for O&M.**

2. Legal Documents

1. Orientation for development of urban and industrial sewerage in Vietnam until 2025 and orientation until 2050
2. Law on Environment Protection and Law on Water Resource.
3. Decree 88/2007/ND-CP on 28/5/2007 of the Government on **Drainage and Sewerage for Urban Areas and Industrial Zones**
4. Circular No.09/2009/TT-BXD on 21/5/2009 on Detail instructions for implementation of some articles under Decree 88

3. Orientation for Development in the Coming Years

- **Simultaneous investment on both sewerage system and sewage treatment plant.**
- **Eliminate the flooding situation during rainy season in urban areas of category II and higher.**
- **Improve and upgrade sewerage and drainage system, focus on big urban area.**
- **Construction of local sewage treatment plants for hospitals and industrial zones.**
- **Expansion of scope of service up to 80-90%.**
- **Improve organization of sewerage businesses.**
- **Application of advanced technical standards.**
- **Roadmap for wastewater tariff.**

4. Highlights of Decree 88/2007/ND-CP On Drainage and Sewerage for Urban Areas and Industrial Zones

Structure of Decree No. 88

- | | |
|------------------|---|
| Chapter 1 | General Provision |
| Chapter 2 | Drainage/Sewerage Planning |
| Chapter 3 | Investment for D/S Development |
| Chapter 4 | Operation & Management of D/S System |
| Chapter 5 | D/S Service |
| Chapter 6 | D/S Tariff |
| Chapter 7 | Rights and Duties of Relating Parties |
| Chapter 8 | Inspection and Sanction Imposition |

*D/S means Drainage/Sewerage

Chapter 1 – General Provision

Highlights:

- **Provincial People's Committees, within their authorities and responsibilities, are responsible for the state management of D/S activities in their territory.**
- **Plans and other infrastructure investment projects (transport, irrigation) shall be synchronously integrated with development plans for D/S system in urban and industrial areas and subject to review and agreement in writing by the local state management agency on D/S**

Chapter 2 – Drainage/Sewerage Planning

Highlights:

- **Provincial People's Committees are responsible to develop TOR, Drainage/Sewerage Planning project for regional and urban centers within their administration boundaries.**

Chapter 3 - Investment for D/S Development

Highlights:

- Owners are entities or organisations responsible for D/S in the area within their administration boundaries (in urban areas, the Owners are PPCs).
- Investors are People's Committees of urban areas. They do not directly implement the works but assign eligible D/S entities to implement on their behalf.
- In Vietnam, since D/S systems in urban areas are usually invested by the government or local authorities because the cost-recovery **wastewater tariff**, including investment costs has not been applied.

Chapter 4 - Operation & Management of D/S System (1)

- **Operation and Management Entities can be selected by Operation & Management Contract.**
- **Agreement on Operation & Management contract between the Owner and the selected entities for D/S operation and management shall include the following terms and conditions:**
 - **Conditions of the contract**
 - **Contract price and price adjustment.**
 - **Technical issues**
 - **Contract duration, Termination of the contract**
 - **Inspection of the works and payment**

Chapter 4 - Operation & Management of D/S System (2)

➤ **Management of the D/S system includes:**

- **Management of Sewerage System**
- **Management of Drainage System**
- **Management of Regulation Pond**
- **Management of Major works**
- **Management of All Invested Assets**

Highlights:

- **Clearly regulate the basis of the Operation & Management Contract and the contract implementation.**

Chapter 5 - D/S Service (1)

➤ **Connections:**

- **All customers are liable for connection**
- **Locations of the connections**

Chapter 5 - D/S Service (2)

- **Discharge waste water at the connection points**
 - **Customer are required for connection.**
 - **Requirements for wastewater discharge at connection points**

Domestic waste water:

Clearly define the necessity of pretreatment in specific areas.

Other kinds of waste water:

Request for pretreatment.

Clearly define request on management of pretreatment efficiency

Chapter 5 – D/S Service (3)

- **Discharge waste water from industrial zones to urban sewerage system**
- **Connection agreement**
- **Exemption from connection**
- **Sewerage service contract**
- **Termination of sewerage service**

Chapter 5 – D/S Service (4)

Highlights:

- All customers are liable to connect to the public sewerage system.
- Customers are responsible for investing on their sewer to the connection point.
- Households shall not use septic tanks from pretreatment if their sewerage system is connected to a centralised sewerage system.
- Assign a monitoring entity to effectively monitor the pretreatment system in industrial zones.

Chapter 6 – D/S Tariff (1)

➤ Subjects to D/S Tariffs:

- All households connected to the centralized sewerage system

➤ Principles for D/S Tariff Determination:

- Polluters must pay
- Cost recovery
- **Roadmap for wastewater tariff; Step-wise tariff increasing aiming that the D/S Tariff will cover all expenses.**
- Local budget shall be required for recovering management, O&M costs of D/S systems and in local areas **if in case wastewater tariff is lower than actual costs .**

Chapter 6 – D/S Tariff (2)

- **Methods of determination of D/S Tariffs:**
 - **Domestic waste water:**
 - **Other kinds of waste water**

- **Determination of volume of waste water, contents of pollutants for determination and collection waste water tariff**

Chapter 6 – D/S Tariff (3)

- **Determination of D/S Tariff**
- **Adjustment of D/S Tariff**
- **Collection and payment of D/S Tariff**
- **Management of allocation of revenue from D/S Tariff**

Chapter 6 – D/S Tariff (4)

Highlights (1):

➤ Full cost-recovery D/S Tariff:

- D/S Tariff must cover all O&M costs and partially contribute to the investment costs.

➤ Method to determine D/S Tariff:

Domestic waste water: Wastewater Tariff is determined based on consumed clean water volume

Other kinds of waste water: Tariff is calculated based on volume of wastewater and contents of pollutants.

Chapter 6 – D/S Tariff (5)

Highlights(2):

- **Determination of charged volume of wastewater:**
 - Use clean water from the centralized water supply system: 100% of clean water volume in water bill
 - Use clean water from other sources:
 - 4 m³/person/month (**now is on under revised**)
 - Industrial customer: measure waste water volume by meter
- **Determine contents of pollutants for charging:**
 - Content of pollutants is determined based on COD concentration. Concentration of COD is determined by an eligible laboratory.

Chapter 7 – Rights and Duties of relating Parties

- **Drainage/Sewerage Entities**
- **Drainage/Sewerage Service Users**

Chapter 8 - Inspection and Sanction Imposition

- **Inspection and Checking D/S Systems:**
 - **Construction inspectors shall function as urban D/S and industrial zone inspectors**
 - **Environmental inspectors shall function as environmental inspectors for D/S Activities**
- **Complaints and Denouncements:**
 - **Dealing with violation**

5. Major Challenges and Solutions (1)

Challenges:

- Investment Capital
- Human Resources
- Community's Awareness

5. Major Challenges and Solutions (2)

Short-Term Solutions:

- **Simultaneous construction investment.**
- **Improvement of legal system on D/S.**
- **Study on mechanism and policies to attract investment.**
- **O&M Contract.**
- **Apply O&M cost recovery D/S Tariff.**
- **Capacity development for sustainable management.**
- **IEC to community's capacity.**

On behalf of Ministry of Construction

Thank you for your attention!