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Improving the Quality of Final Account Settlement for Completed State-Budget Construction Projects in Vietnam Evidence on Timeliness, Completeness and Accuracy, 2016–2026

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ABSTRACT:

Purpose. Final account settlement closes the financial life cycle of a public investment project. It fixes the value of the asset created, permits the project account to be cleared, allows advances to be recovered, and brings the asset onto the government's books. In Vietnam it is also the least examined link in the public investment management chain. We ask why settlement performance has not improved over a decade in which the governing rules were rewritten repeatedly and eventually raised from ministerial circular to government decree.

Design and method. Our evidence base has three parts: the aggregate settlement disclosures the Ministry of Finance publishes each year, the unit-level disclosure issued by the Hà Nội People's Committee for 2024, and the body of legal instruments on settlement issued between 2016 and 2026. Settlement quality is decomposed into three observable dimensions, each with an explicit operational definition. We combine descriptive statistics, stock-flow decomposition, conditional violation rates, concentration measures borrowed from industrial organisation, and content analysis of the regulatory record, the aim throughout being to separate what the rules explain from what implementation explains.

Findings. The share of completed projects breaching statutory deadlines has held near 18 to 20 per cent for several consecutive years, with no visible response to the elevation of the framework to decree level. Dossier preparation by investors and final approval by competent authorities account between them for 85.4 per cent of breaches; appraisal accounts for 14.6 per cent. Two thirds of the unapproved stock consists of projects whose dossiers have never been lodged, which places the bottleneck at initiation rather than at processing. Deductions at appraisal are low and stable nationally, at 0.614 per cent of the value claimed, but vary sharply by administrative level: in Hà Nội in 2024 the district-level rate ran at 3.2 times the city-level rate, and both move inversely with average project size. Most striking is how concentrated the delay burden turns out to be. Across Hà Nội's thirty district-level units the Gini coefficient of overdue dossiers reaches 0.837 and the Herfindahl index 2,216, with two units carrying 62.6 per cent of the burden while twenty carry none at all. Capital still owed to completed projects stood at VND 31,288.8 billion, roughly 4.6 per cent of the 2024 development investment plan and up from 3.54 per cent two years earlier.

Originality and implications. We contribute an operational three-dimensional measurement framework for a stage of the investment cycle that existing diagnostics treat only in outline, introduce the appraisal deduction rate as a usable proxy for dossier quality, and show through concentration statistics that settlement failure is a unit-level rather than a systemic phenomenon. The policy corollary is that further regulatory reform promises little, and that effort is better spent on targeted capacity support, on digitalising the dossier trail, and on accountability aimed at the small group of units where the backlog actually sits.

1. INTRODUCTION

Among the stages of public investment management, final account settlement comes last in sequence and, in practice, last in attention. Once a facility has been inspected, handed over and put into service, public opinion and the administrative apparatus alike tend to treat the project as finished. In financial terms it is not. A project closes only when its settlement value has been approved, its account cleared, and the value of the resulting asset entered in the public asset records.

Trouble accumulates in the gap between physical completion and financial closure. A facility in use for years without an approved settlement leaves public asset values understated, advances unrecovered, liabilities to contractors suspended, and state budget accounts carrying figures known to be wrong. Worse, the capital still committed to that project stays locked while new projects compete for the same fiscal space.

Ministry of Finance figures for 2023 record 72,468 completed projects requiring settlement, of which 26,800 had no approved settlement and 13,716 were in breach of the statutory time limits. What makes these numbers worth a paper is not their size but their stability. The violation rate has moved within a narrow band of roughly 18 to 20 per cent across successive years, even though the governing framework was amended several times over the same period and was eventually raised from ministerial circular to government decree.

That stability is our puzzle. Were defective regulation the principal cause of delay, the violation rate ought to have fallen after each round of legal improvement, and particularly after the shift to decree level in late 2021. Its refusal to move points to something operating below the level of legal text: to how responsibility is distributed among actors, to the incentives each of them faces, and to the capacity available where the work is actually done.

Our aim is therefore diagnostic before it is prescriptive. Mapping violations onto the three procedural stages locates the bottleneck precisely, instead of attributing responsibility in general terms. Alongside timeliness and completeness we introduce a measure of accuracy, built on the rate at which claimed value is deducted during appraisal, an indicator that has been sitting unused in published disclosures for years. Whether settlement quality is stratified by budget management level is then tested against the unusually detailed Hà Nội disclosure for 2024. Only at the end do we derive interventions, and each of them names an implementing actor and an indicator against which progress can be judged.

What separates this analysis from the descriptive treatments that dominate the Vietnamese literature is, first, its insistence on measurement. Giving settlement quality operational definitions with explicit formulas makes the concept comparable across jurisdictions and across time, which no purely narrative account can do. The second departure is methodological. Taking administrative units as the unit of observation and applying Lorenz, Gini and Herfindahl measures to the distribution of overdue dossiers yields a result that reframes the policy problem altogether, since a burden concentrated in a handful of units cannot be explained by a regulatory framework that all units share.

2. CONCEPTUAL BACKGROUND AND LITERATURE

2.1 Settlement as the closing stage of the investment cycle

Under current Vietnamese law, the investment capital subject to settlement comprises all lawful costs incurred in bringing a project into operation, or in terminating it under a written decision of the authority competent to decide on the investment. Costs admitted to settlement must fall within the approved total investment, or within that figure as subsequently adjusted or supplemented in accordance with the rules.

As an instrument of public financial management, settlement does several jobs at once. It certifies how much state capital has gone into a specific asset, and in doing so tests the legality and validity of each cost item, excluding those without adequate support. It converts invested capital into a public asset value that the government accounting system can then track. Beyond the accounting, it supplies the figures on which elected bodies, audit institutions and inspectorates rely when they scrutinise how the budget has been spent.

Delay therefore does damage well beyond the procedural. When settlement stalls, none of that work gets done, and an information gap opens over a large block of public assets and stays open for years.

2.2 Three measurable dimensions of settlement quality

We use settlement quality in a broad sense, resolved into dimensions that can be observed directly in published disclosures. Table 1 gives the operational definition of each.

Table 1. Operational definitions of the three dimensions of settlement quality

Dimension	What it captures	Operational measure	Data source
Timeliness	Whether each stage is completed inside the period the law allows	Projects completing preparation, appraisal and approval within statutory deadlines, as a share of all completed projects requiring settlement	Ministry of Finance annual disclosure
Completeness	How much of the accumulated stock has been cleared	Completed projects with an approved settlement, as a share of the cumulative completed stock	Ministry of Finance annual disclosure
Accuracy	The quality of the dossier as submitted by the investor	Value excluded at appraisal divided by value claimed for settlement; a higher rate indicates more unsupported cost in the original claim	Ministry of Finance disclosure; Hà Nội People's Committee disclosure

Source: authors' formulation.

The dimensions interact rather than stand apart. Pressure on timeliness can erode accuracy if appraising agencies are forced to compress their review; excessive insistence on accuracy extends processing time. Any coherent reform package has to balance them, and the indicator set in Table 1 is built to keep the trade-offs visible.

2.3 Theoretical lens: agency costs and institutional churn

Two established perspectives help explain why delay has proved so durable.

Take the principal-agent framework first. In the settlement relationship the state is principal while the investor and the project management unit are agents, and what distinguishes this stage is how asymmetrically costs and benefits are distributed. Timely completion yields accurate asset records and released fiscal space, both of which accrue to the principal. Staff time, administrative effort and exposure to the discovery of errors fall on the agent. Where sanctions for delay are mild and rarely enforced, postponement becomes the agent's rational choice, which is enough on its own to account for a violation rate that survives successive rounds of legal amendment.

Institutional theory supplies the second, applied here to the frequency of regulatory change rather than to its content. Each amendment imposes fresh compliance costs: officials must absorb new provisions, forms must be redone, and transitional clauses oblige every party to work out which generation of rules governs its particular project. For projects spanning several generations of instruments, establishing which rules apply can cost more than the settlement work itself. Regulatory reform is thus at once an attempt to solve the problem and a plausible contributor to it.

Figure 1 sets out how the two lenses combine. Both converge on a gap between institutional design and institutional effectiveness, a distinction that the IMF's Public Investment Management Assessment framework makes central to its scoring on the ground that sound procedures on paper do not by themselves mean sound procedures in practice. The measurement dimensions of Section 2.2 operationalise the effectiveness side of that gap for the closure stage specifically.

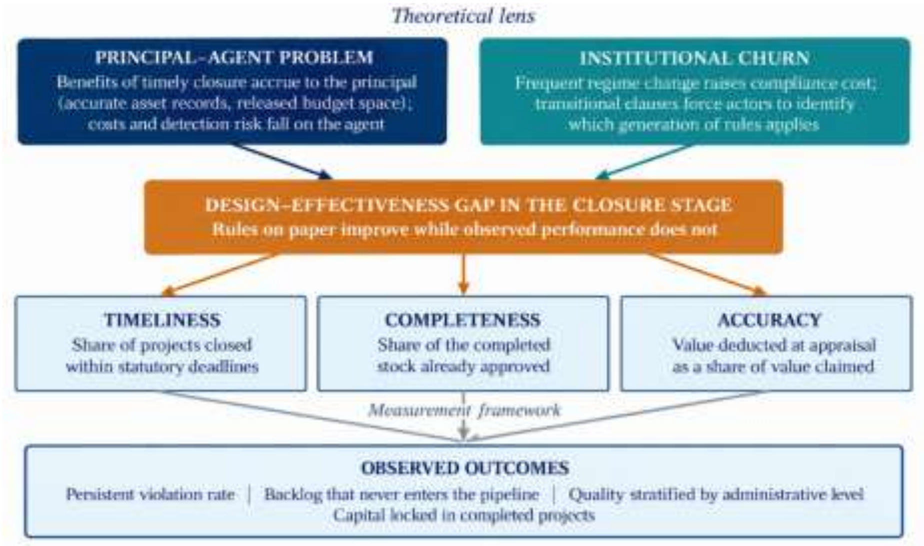

Figure 1. Analytical framework: from theoretical lens to observable outcomes

Source: authors' formulation.

2.4 Literature and research gap

Internationally, the financial closure of public projects is normally discussed within the broader public investment management and public financial management literatures. The World Bank diagnostic framework developed by Rajaram and colleagues identifies eight functions a sound public investment system must perform, running from investment guidance and appraisal through selection, implementation and adjustment to facility operation and project evaluation. Final account settlement sits at the junction of the last two, since it converts completed works into a recorded asset and supplies the cost data on which any subsequent evaluation depends.

Fifteen institutions make up the IMF framework, grouped under planning, allocation and implementation, together with three cross-cutting enablers: information systems, the legal and institutional framework, and staff capacity. Asset monitoring closes the implementation group. Cross-country evidence from these assessments finds that governments generally score better on general public financial management institutions than on those specific to investment, and that the weakest points sit early in the cycle, at appraisal and selection, and late in the cycle, at the monitoring and accounting for assets. The closure stage is thus a recognised international weak point. It is described at a level of generality, however, that offers little purchase on why a particular country's closure performance refuses to improve.

Vietnamese scholarship has approached the subject along two tracks. One is legal, analysing the content of provisions on procedure, competence and dossier composition. The other is procedural, offering technical guidance on preparing and appraising settlement reports. Both are useful. Neither answers the question of why delay persists.

We address that gap by combining multi-year statistics with analysis of the regulatory record, so that causes attributable to rules can be separated from causes attributable to implementation; by putting the appraisal deduction rate to work as a measure of dossier quality, an indicator already sitting in the published data; and by setting national aggregates against detailed sub-national data in order to test whether quality is stratified by administrative level.

2.5 Propositions

The theoretical discussion yields four propositions, which structure the empirical work.

P1. If regulatory design were the binding constraint, the violation rate should fall following major upgrades to the legal framework.

P2. If agency incentives are the binding constraint, violations should concentrate at the stages where the acting party gains least from prompt completion, namely dossier preparation and final approval.

P3. If capacity is a binding constraint, dossier quality measured by the deduction rate should deteriorate as one moves down the administrative hierarchy and as average project size falls.

P4. If failure were systemic rather than unit-specific, the delay burden should be distributed roughly evenly across units operating under a common legal framework within a single jurisdiction.

3. DATA AND METHOD

3.1 Data

The study rests on secondary data of three kinds.

For the national picture we use the aggregate disclosure on settlement of public investment capital for completed projects, published annually by the Ministry of Finance. We use Official Letter 4655/BTC-DT, which discloses the 2023 position on the basis of returns from ministries, central agencies, state economic groups and corporations, and the People's Committees of provinces and centrally governed cities.

For the sub-national analysis we use the 2024 settlement disclosure of the Hà Nội People's Committee. Hà Nội was chosen because it publishes figures disaggregated to the level of individual budget management tier and individual administrative unit, a level of detail few localities provide and one without which P3 and P4 cannot be tested.

The third source is the corpus of legal instruments governing settlement issued between 2016 and 2026, used for the content analysis reported in Section 4.1.

3.2 Construction of indicators

Several quantities used below do not appear directly in the sources and were computed by the authors. Each is defined here and flagged again in the relevant table.

The deduction rate is the value excluded at appraisal divided by the value claimed by the investor, expressed as a percentage. Since the published data report claimed value, excluded value and approved value separately, the ratio can be constructed at any level of aggregation for which all three are disclosed.

The cost underrun ratio is the value claimed divided by the approved total investment, and measures how far actual execution fell below the figure on which budget planning was based.

Conditional violation rates divide the number of projects in breach of a deadline at a given point in the pipeline by the number of projects standing at that point. It differs from the headline violation rate, which takes the entire completed stock as its denominator, and it isolates the probability of breach given that a project has reached a particular stage.

Average settlement value per project is approved settlement value divided by the number of approved projects. It serves as the size variable in the analysis of dossier quality.

3.3 Measures of concentration

Testing P4 requires a way of expressing how unevenly overdue dossiers are spread across administrative units, and for that we borrow three measures conventional in industrial organisation.

CR*k*, the concentration ratio, gives the combined share of the *k* units carrying the largest numbers of overdue dossiers. The Herfindahl-Hirschman index is the sum of squared percentage shares across all units, with values above 2,500 conventionally treated as indicating high concentration and values between 1,500 and 2,500 as moderate. The Gini coefficient is computed over all units in the jurisdiction, including those carrying no overdue dossiers at all, since the absence of a backlog in two thirds of units is itself the finding of interest.

These measures were developed to describe market structure, and we use them descriptively rather than inferentially. Their value here is that they convert a qualitative observation, that some units perform much worse than others, into a magnitude comparable over time and across localities.

3.4 Analytical methods

Descriptive statistics establish the scale, rates and composition of violations by procedural stage. Stock-flow decomposition separates the completed portfolio into its constituent pools and locates the backlog within the pipeline. Time-series comparison tests P1 by examining whether the violation rate responds to changes in the legal framework. Cross-sectional comparison sets deduction rates against one another by management level and project group, testing P3. Concentration analysis tests P4. Content analysis of the legal instruments maps the sequence of institutional change and identifies provisions that add compliance cost rather than reducing it.

3.5 Limitations

Three constraints on what follows should be stated at the outset.

National aggregates do not permit construction projects to be separated from other categories of public investment project, so the national figures describe a population slightly broader than the title of the paper implies. Absolute figures are available only for recent years, which constrains long-run time-series analysis; we therefore examine the long-run dimension mainly through the regulatory record. The Hà Nội case, though well suited to testing stratification, is a single jurisdiction and cannot by itself support national generalisation.

One further caveat attaches to Section 4.4. The published data do not state explicitly which pool the appraisal-stage and approval-stage violations belong to, so the conditional rates reported there rest on a stated assumption and are presented as an analytical bound rather than an observed statistic.

4. RESULTS

4.1 The regulatory record, 2016 to 2026

Over roughly a decade the framework governing settlement passed through at least six substantial revisions, leaving aside amending and supplementing instruments. Table 2 sets out the sequence together with the interval separating each instrument from the next.

Table 2. Development of the legal framework on settlement of completed projects, 2016 to 2026

Date	Instrument	Principal subject matter	Effect on implementation	Months to next change
01/2016	Circular 09/2016/TT-BTC	Settlement of completed projects financed by state capital	Establishes the regulatory foundation for the whole period	30
07/2018	Circular 64/2018/TT-BTC	Amends and supplements Circular 09/2016; repeals the separate ODA provisions	Narrows scope and unifies the point of responsibility	19
02/2020	Circular 10/2020/TT-BTC	Replaces Circulars 09/2016 and 64/2018; defines procedure, competence, audit and appraisal costs	Standardises procedure but remains at circular level	21

Date	Instrument	Principal subject matter	Effect on implementation	Months to next change
11/2021	Decree 99/2021/ND-CP and Circular 96/2021/TT-BTC	Raises the framework from circular to decree; merges management, payment and settlement of public investment capital into one instrument	Turning point in legal force; aligned with the Public Investment Law	42
05/2025	Circular 27/2025/TT-BTC	Settlement of completed projects using state capital other than public investment capital	Fills the gap for projects outside the public investment category	4
09/2025	Decree 254/2025/ND-CP and Circular 91/2025/TT-BTC	Replaces Decree 99/2021; issues a new system of settlement forms; adjusts to the 2024 Public Investment Law and the two-tier local government model	Imposes a substantial updating requirement on every investor	9
2026	Decree 193/2026/ND-CP	Unified rules on settlement of project investment capital covering public investment capital, recurrent expenditure and other state budget sources	Consolidates the regulatory point of reference and reduces fragmentation	n/a

Source: authors' compilation from the legal instruments in force.

Reform effort here has been continuous and directionally coherent, moving from circular to decree and from fragmentation toward consolidation. Its frequency carries a cost that is rarely counted. The mean interval between amendments over the period was twenty months, and the mean lifespan of the instrument actually governing settlement was thirty-nine months. A project commenced in 2018 and completed in 2024 must therefore establish which generation of rules applies to it, read across the transitional provisions, and may have to reconstitute its dossier on revised forms. Figure 2 plots the sequence and the intervals.

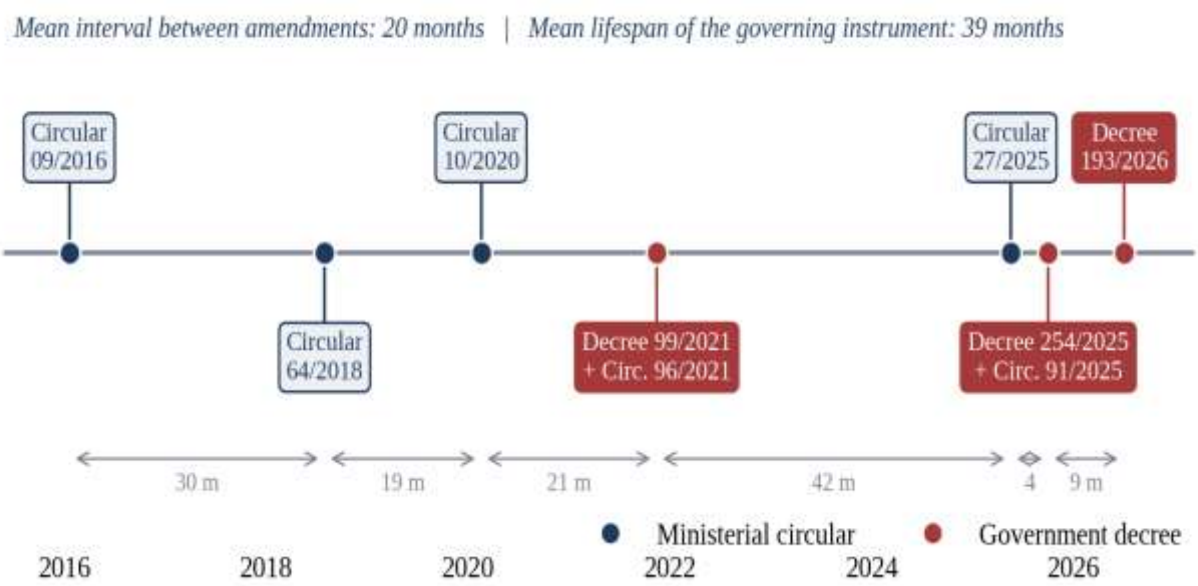

Figure 2. Sequence of legal instruments governing settlement, 2016 to 2026

Source: authors' compilation from the legal instruments in force; intervals computed by the authors.

Policy impact assessment routinely omits the cost of determining which rule applies. For a portfolio in which project lives commonly exceed the lifespan of the governing instrument, that omission is not a detail.

Figure 3 sets out the settlement procedure itself, with its three stages and the party responsible for each, which is the basis for the analysis of violation structure in Section 4.3.

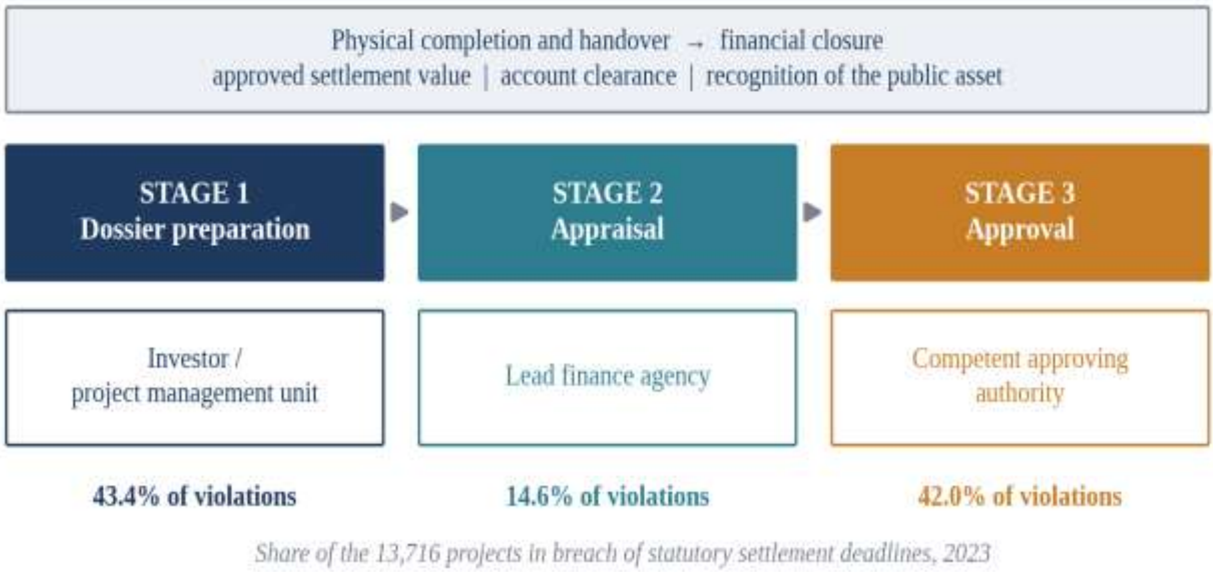

Figure 3. The settlement procedure: stages, responsible parties and share of violations

Source: authors' construction based on the legal provisions in force; violation shares from Table 5.

4.2 Scale and timeliness

The volume of settlement work is large and rising. In 2022 the country had 70,043 completed projects awaiting settlement; by 2023 the figure had reached 72,468, an increase of 2,425 in a single year. Table 3 presents the position for 2021 to 2023.

Table 3. Settlement of public investment capital for completed projects, 2021 to 2023

Indicator	2021	2022	2023
Completed projects requiring settlement	n/a	70,043	72,468
Projects settled within the statutory deadline	n/a	57,303	58,752
Share settled on time (%)	80.0	82.0	81.1
Projects in breach of settlement deadlines	n/a	12,740	13,716
Violation rate (%)	20.0	18.0	18.9

Source: compiled from the Ministry of Finance public disclosure, Official Letter 4655/BTC-DT.

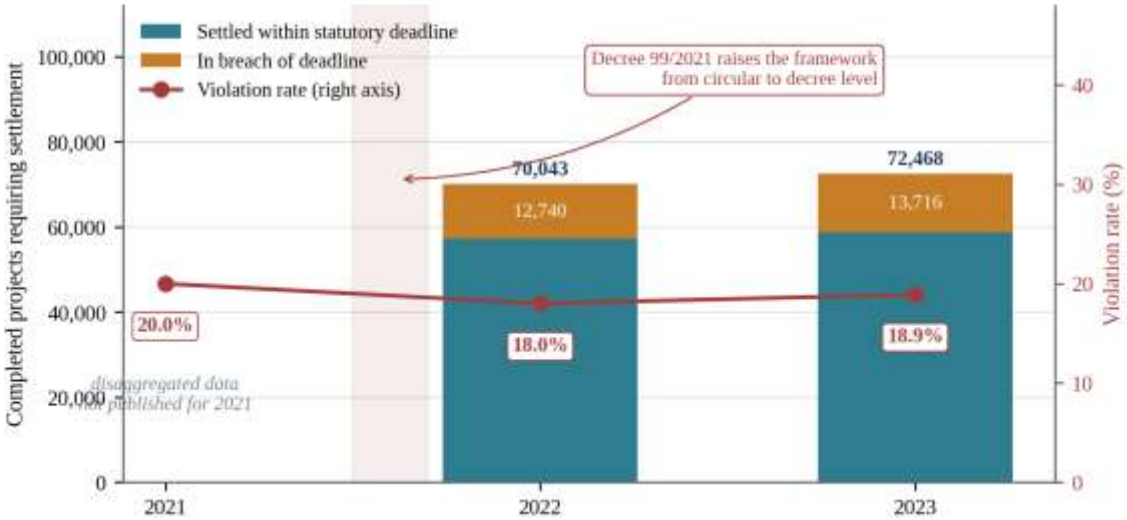

Figure 4. Volume of completed projects and the violation rate, 2021 to 2023

Source: constructed by the authors from Table 3.

Figure 4 contains the paradox this paper set out to explain. During the observation window the framework was substantially upgraded when Decree 99/2021 replaced regulation at circular level, bringing settlement within an instrument of higher legal force and aligning it with the Public Investment Law. On P1, the violation rate should have fallen visibly after that point. It did not; the rate oscillated within a band of 18 to 20 per cent and edged upward in 2023.

P1 is therefore not supported.

Whatever holds the violation rate in place is not primarily the content of the rules, and decomposing the completed portfolio sharpens the picture considerably, as Table 4 shows.

Table 4. Decomposition of the completed project portfolio, 2023

Pool	Projects	Share of completed stock (%)	Share of the unapproved stock (%)
Completed projects requiring settlement	72,468	100.0	n/a
Settlement approved	45,668	63.0	n/a
Settlement not yet approved	26,800	37.0	100.0
of which: dossier not yet lodged	17,993	24.8	67.1
still within the preparation period	12,046	16.6	44.9
already past the preparation deadline	5,947	8.2	22.2
of which: dossier lodged, awaiting appraisal or approval	8,807	12.2	32.9

Source: the first four rows from the Ministry of Finance public disclosure; the lodged-but-unapproved pool derived by the authors as the residual.

Of the 17,993 projects with no dossier lodged, 12,046 remained within the statutory preparation period while 5,947 had passed it, giving a late share of 33.1 per cent within that pool. The figure coincides with the 33 per cent threshold the Ministry of Finance uses when naming units whose violation rate exceeds the national average, which allows the denominator underlying that comparison to be pinned down precisely.

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4.3 Where violations occur

Breaking the 13,716 violations of 2023 down by stage locates the bottleneck instead of attributing responsibility in general terms. Table 5 reports the result alongside the party accountable at each stage.

Table 5. Structure of settlement deadline violations by procedural stage and responsible party, 2023

Stage	Responsible party	Projects in breach	Share of all violations (%)	Share of completed stock (%)
Stage 1. Dossier preparation	Investor and project management unit	5,947	43.4	8.2
Stage 2. Appraisal	Lead finance agency	2,009	14.6	2.8
Stage 3. Approval	Competent approving authority	5,760	42.0	7.9
Total		13,716	100.0	18.9

Source: violation counts from the Ministry of Finance public disclosure; shares computed by the authors against 13,716 violations and 72,468 completed projects.

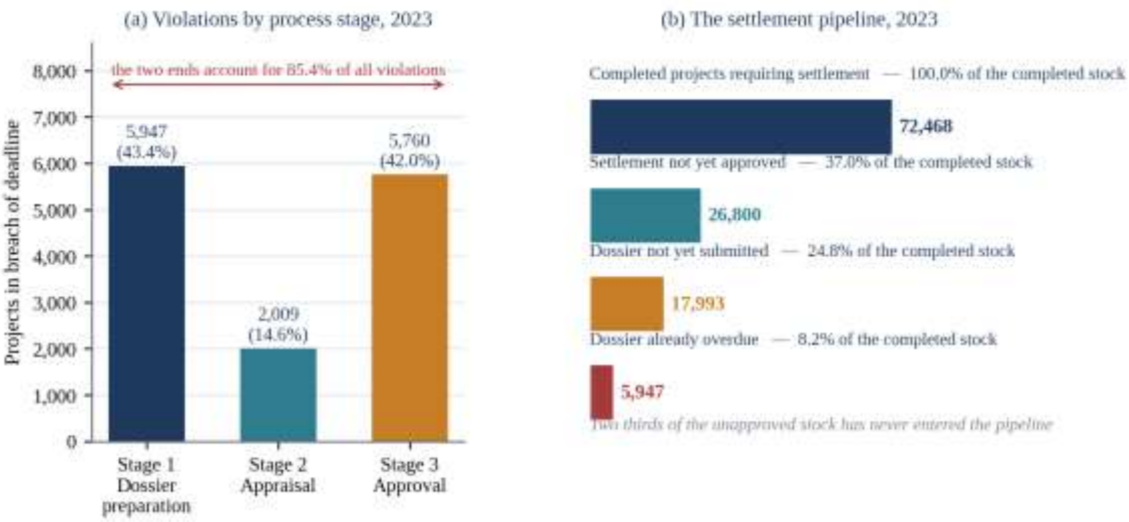

Figure 5. Violations by procedural stage and the structure of the settlement pipeline, 2023

Source: constructed by the authors from Tables 4 and 5.

Dossier preparation by the investor and final approval by the competent authority account between them for 85.4 per cent of all breaches, against 14.6 per cent for appraisal, the stage commonly assumed to be the technical bottleneck. Reform effort belongs at the two ends of the procedure rather than in its middle. Reinforcing appraisal staffing, pursued on its own, would address the smallest component of the problem.

Equally instructive is the composition of the unapproved stock. Of the 26,800 projects without an approved settlement in 2023, some 17,993, or 67.1 per cent, had not even lodged a dossier. Two thirds of the backlog has never entered the processing pipeline. The constraint sits at initiation, not in the machinery's capacity to process what reaches it.

None of this should surprise anyone reading through the agency framework, and P2 is supported accordingly. Of all the parties involved, investors and project management units have the weakest incentive to complete settlement. Their works have been handed over and their professional task discharged; preparing the dossier now generates nothing for them except additional work and exposure to the discovery of errors. Sanctions for late preparation, meanwhile, remain largely administrative and are seldom applied in full.

4.4 Conditional violation rates by position in the pipeline

The headline violation rate of 18.9 per cent takes the entire completed stock as its denominator and so blends together projects at very different points in the procedure. Recomputing rates conditional on pipeline position produces a contrast the headline figure conceals, reported in Table 6.

Table 6. Conditional violation rates by position in the settlement pipeline, 2023

Position in the pipeline	Projects at this position	In breach of a deadline	Conditional violation rate (%)
Dossier not yet lodged	17,993	5,947	33.1
Dossier lodged, awaiting appraisal or approval	8,807	7,769	88.2
All projects without an approved settlement	26,800	13,716	51.2
All completed projects requiring settlement	72,468	13,716	18.9

Source: authors' calculation.

Among projects whose dossiers have not been lodged, one in three is late. Among projects whose dossiers have been lodged but not yet approved, the implied figure is 88.2 per cent, some 2.7 times higher. The reading must be qualified: the published data do not state which pool the stage-two and stage-three breaches belong to, and the calculation assumes they fall within the 8,807 projects standing in the pipeline. Even treated as an upper bound, though, the implication is clear enough. Once a dossier enters the system, the probability that it clears within the statutory period is low.

That cuts against a natural reading of Section 4.3. The fact that most violations originate at the two ends of the procedure does not mean the middle is functioning well. It means the middle handles a small caseload, because two thirds of the portfolio never reaches it. Were the initiation problem solved without any change to processing capacity, the pipeline would receive a volume of work several times its present load.

4.5 Accuracy measured through the deduction rate

The third dimension of settlement quality has gone largely unused in earlier work, even though the data required are already published. Table 7 traces the flow of value through the 45,668 completed projects whose settlements were approved as at 2023.

Table 7. Flow of value through completed projects with approved settlements, 2023

Indicator	Value (VND billion)	Share of approved total investment (%)	Note
Approved total investment	438,683	100.0	Reference point
Value claimed for settlement by investors	354,898	80.9	VND 83,785 billion below approved total investment
Value excluded at appraisal	2,179	0.5	Equal to 0.614% of the value claimed
Approved settlement value	352,719	80.4	The official value of the asset created
Capital actually disbursed	338,380	77.1	VND 14,339 billion below the approved value

Source: the four value indicators from the Ministry of Finance public disclosure; differences and percentages computed by the authors.

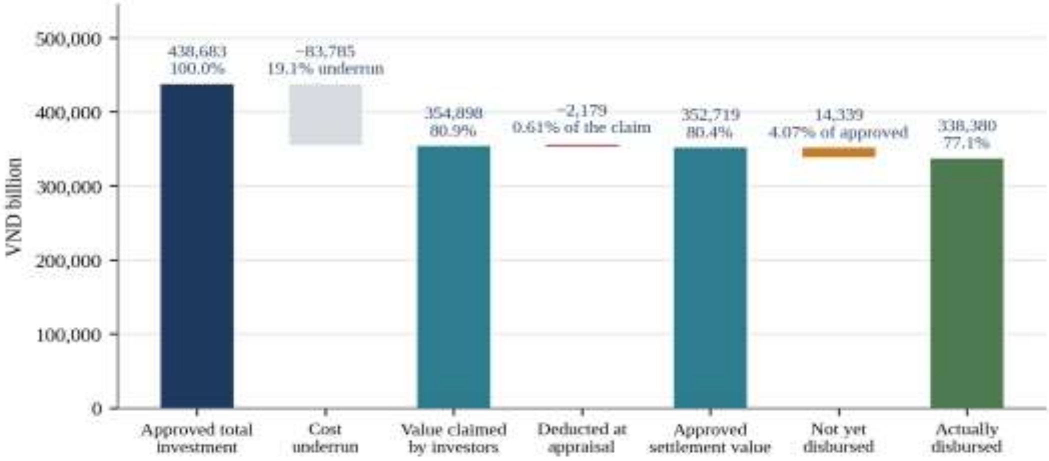

Figure 6. Flow of value through completed projects with approved settlements, 2023

Source: constructed by the authors

At 0.61 per cent of the value claimed, the deduction rate is very low. Two opposed readings are available and the data alone cannot decide between them. On the favourable reading, dossiers prepared by investors are essentially accurate and most claimed costs are properly supported. On the cautious reading, appraisal lacks depth, particularly where caseloads are heavy and appraisal staffing thin, so that review becomes formal rather than substantive. The variation across management levels examined in Section 4.6 offers a means of adjudicating.

Claimed value amounts to only 80.9 per cent of approved total investment, a difference of VND 83,785 billion. The gap reflects execution costs below the original estimate, whether through procurement savings or through components never built. It deserves monitoring from a budget management standpoint, because approved total investment is the basis on which capital plans are set, and a large, persistent gap means a substantial volume of capital reserved but not used.

One figure in Table 7 is easy to read past. Projects with approved settlements still carry VND 14,339 billion in unpaid balances, equal to 4.07 per cent of approved value, which means approval is not the end point at all. A project may have passed all three stages and hold a settlement approval decision while its contractor remains unpaid. Section 6.5 returns to this condition, since it is the one most readily fixed.

4.6 Stratification by administrative level: the Hà Nội case

National aggregates cannot reveal differences across budget management levels. The Hà Nội disclosure for 2024 removes that constraint, being broken down by tier and by unit. Table 8 reports the results.

Table 8. Settlement of completed projects in Hà Nội, 2024, by budget management level

Budget management level	Projects	Approved total investment (VND bn)	Value claimed (VND bn)	Approved value (VND bn)	Deduction rate (%)	Average approved value per project (VND bn)
City-level budget	105	7,079.7	5,932.9	5,918.4	0.244	56.4
District-level budget	2,170	25,553.8	22,755.5	22,577.3	0.783	10.4
City total	2,275	32,633.5	28,688.4	28,495.7	0.672	12.5

Source: Hà Nội People's Committee disclosure of settlement of public investment capital for completed projects, 2024.

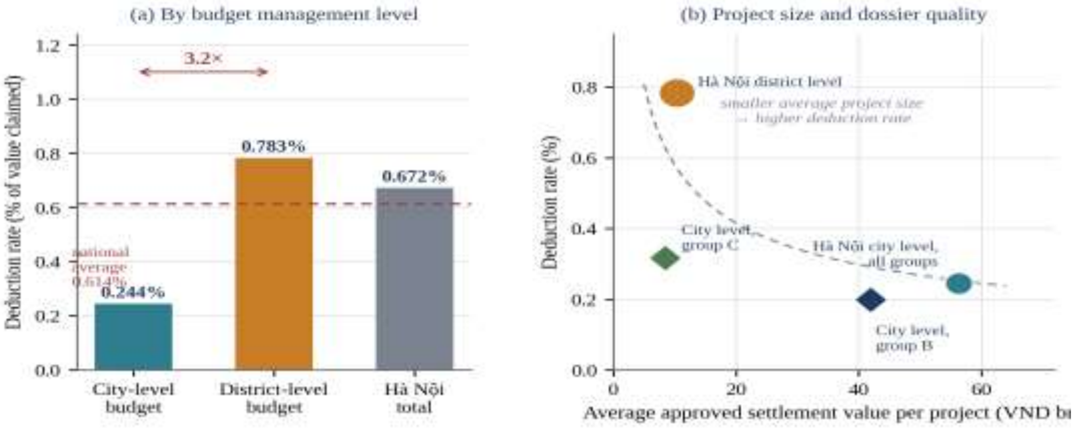

Figure 7. Appraisal deduction rate by management level and by average project size, Hanoi 2024

Source: authors' calculation and construction from the Hanoi People's Committee disclosure.

P3 is supported. Projects managed at district level show a deduction rate of 0.783 per cent, some 3.2 times the 0.244 per cent recorded for city-managed projects. If the deduction rate proxies the quality of the dossier as submitted, the quality problem sits at the lower tier, where officials commonly hold settlement duties alongside other responsibilities and have less access to specialist training. Scale reinforces that reading. Average approved settlement value per project is VND 56.4 billion at city level against VND 10.4 billion at district level: district units handle more than twenty times as many projects at roughly one fifth the average value. A far larger caseload is being processed with thinner professional resources, and dossier quality falls accordingly. Disaggregation by project group adds a nuance. Within city-managed projects the deduction rate for group C projects is 0.316 per cent against 0.198 per cent for group B, despite group C projects being much smaller in value. The direction is consistent throughout: the smaller and more dispersed the project, the weaker the dossier. That argues for allocating technical support toward units managing many small projects rather than distributing it in proportion to capital value. Setting Hà Nội against the national aggregate yields one further observation, reported in Table 9.

Table 9. National and Hà Nội settlement benchmarks compared

Indicator	National, 2023	Hà Nội, 2024	Difference
Cost underrun ratio: value claimed as a share of approved total investment (%)	80.9	87.9	+7.0 pp
Deduction rate at appraisal (%)	0.614	0.672	+0.058 pp
Average approved settlement value per project (VND billion)	7.7	12.5	+4.8
Deduction rate at the lower management tier (%)	not disclosed	0.783	n/a
Ratio of lower-tier to upper-tier deduction rate	not disclosed	3.2 times	n/a

Source: authors' calculation from the Ministry of Finance and Hà Nội People's Committee disclosures.

Hà Nội's cost underrun ratio of 87.9 per cent stands seven percentage points above the national figure of 80.9 per cent, meaning Hà Nội projects execute considerably closer to their approved total investment. More telling still, the national average settlement value per project, at VND 7.7 billion, falls below even the Hà Nội district-level average. The national portfolio is dominated by projects smaller than those examined in our case, which suggests the stratification identified here is likely to be more pronounced nationally than in Hà Nội, not less.

4.7 Concentration of the delay burden

Timeliness in Hà Nội displays a pattern that reframes the problem. As at 31 December 2024 the city had 179 completed projects with overdue settlement dossiers, comprising 48 under the city budget and 131 under district budgets. Table 10 sets out how the 131 district-level cases are distributed across managing units, and Table 11 reports the concentration statistics computed from that distribution.

Table 10. Distribution of overdue settlement dossiers across district-level units in Hà Nội, 31 December 2024

Group of units	Units	Overdue projects	Share of the 131 overdue projects (%)	Average per unit
The two largest (Gia Lâm 45, Phúc Thọ 37)	2	82	62.6	41.0
The next two (Ba Vì 13, Quốc Oai 12)	2	25	19.1	12.5
The six other units with overdue dossiers	6	24	18.3	4.0
Units with no overdue dossier	20	0	0.0	0.0
Total	30	131	100.0	4.4

Source: authors' compilation and calculation from the Hà Nội People's Committee disclosure.

Table 11. Concentration of the delay burden across Hà Nội district-level units, 2024

Measure	Value	Interpretation
Units in the jurisdiction	30	All operate under the same legal framework
Units with at least one overdue dossier	10	Two thirds of units carry none
CR1: share held by the largest unit (%)	34.4	One unit carries a third of the burden
CR2: share held by the two largest (%)	62.6	Extreme concentration at the top
CR4: share held by the four largest (%)	81.7	Four units account for four fifths
Herfindahl-Hirschman index	2,216	Above the 1,500 threshold conventionally treated as concentrated
Equivalent number of units	4.5	The burden is distributed as though carried by 4.5 units rather than 30
Gini coefficient across all 30 units	0.837	Far from the even distribution a systemic explanation would predict

Source: authors' calculation

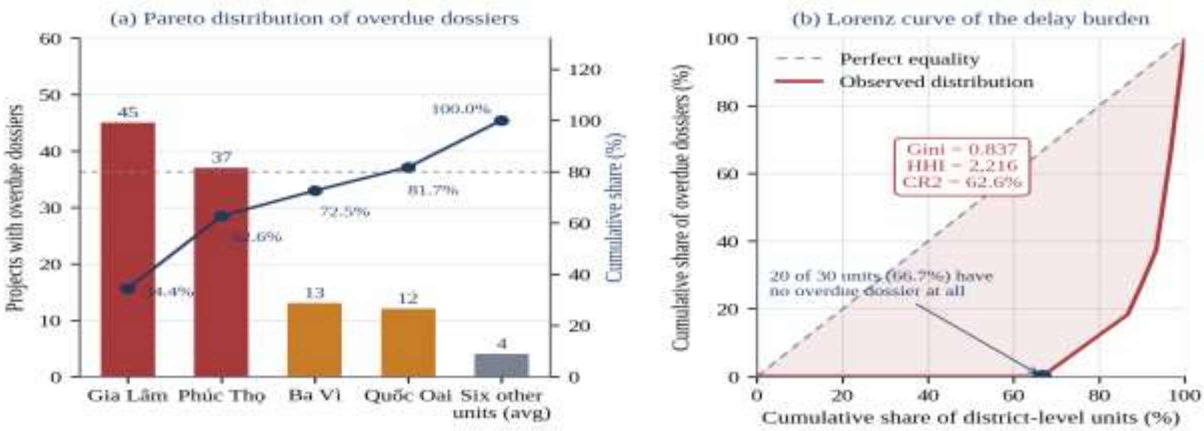

Figure 8. Concentration of overdue settlement dossiers across Hanoi district-level units

Source: constructed by the authors from Tables 10 and 11.

This is the most consequential result in the study. Overdue dossiers are not spread evenly; they cluster heavily in a small number of units. The two worst-performing units carry 62.6 per cent of the district-level burden and the top four carry 81.7

per cent, while twenty of the thirty district-level units, two thirds of the total, have no overdue dossier whatsoever. A Gini coefficient of 0.837 and a Herfindahl index of 2,216 both place the distribution well into the range that industrial organisation would call highly concentrated, and the equivalent-number statistic indicates a burden distributed as though carried by only 4.5 units rather than thirty. P4 is rejected. Were delay an inevitable consequence of complex rules or of systemic resource shortage, it should be spread roughly evenly across units subject to the same legal framework and operating within the same jurisdiction. That two thirds of units meet their deadlines while a few carry dozens of overdue projects each indicates a decisive variable operating at unit level, in the attention given by the unit's leadership and in the way internal work is organised. What follows for policy is direct enough. Broad instruments such as further amendment of the rules, or additional circulars urging compliance, act on every unit including the majority already meeting their obligations, while the bulk of the backlog sits in a small group. Identifying the units above a defined backlog threshold and intervening there, combining technical support with accountability for the unit head, would use supervisory resources far more efficiently. Figure 9 contrasts the two approaches.

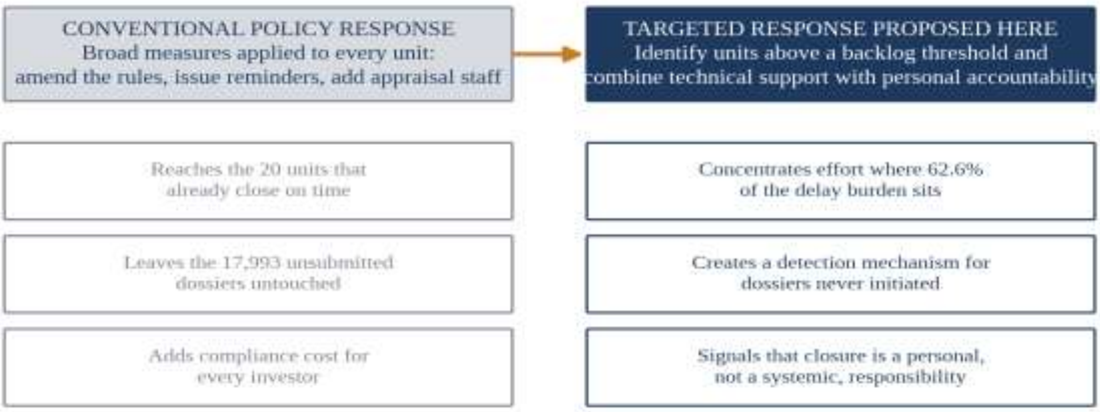

Figure 9. Broad and targeted policy responses compared

Source: authors' formulation, drawing on the concentration results in Section 4.7.

4.8 Fiscal consequences

Delay in settlement is not a purely procedural matter. The 2023 data record capital still to be allocated to completed projects of VND 31,288.8 billion, of which the central budget accounts for VND 3,996.6 billion, or 12.8 per cent, with local budgets carrying the remaining 87.2 per cent. The total is equivalent to roughly 4.6 per cent of the 2024 development investment plan financed from the state budget, up from 3.54 per cent in 2022. The stock is accumulating rather than contracting.

Table 12. Composition of public investment capital still owed to completed projects, 2023

Group of projects	Value (VND billion)	Share (%)
Completed but settlement dossier not yet lodged	11,220.84	35.9
Dossier lodged but not yet appraised or approved	4,080.76	13.0
Remaining cases, including projects with approved settlements and works accepted but not fully funded	15,987.20	51.1
Total	31,288.80	100.0
of which: central budget	3,996.60	12.8
of which: local budgets	27,292.20	87.2

Source: the total and the first two groups from the Ministry of Finance public disclosure; the third group derived by the authors as the residual.

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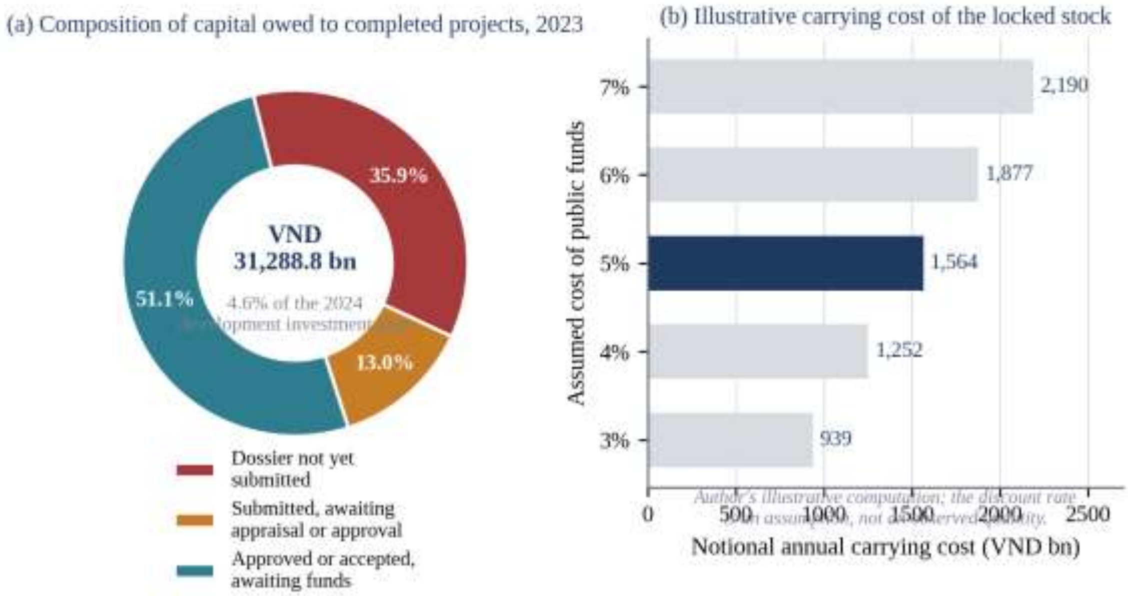

Figure 10. Capital owed to completed projects and its illustrative carrying cost, 2023

Source: panel (a) constructed from Table 12; panel (b) is the authors' illustrative calculation reported in Table 13.

Table 12 clarifies a point policy discussion frequently misses. More than a third of the locked capital belongs to projects that have not lodged a settlement dossier, and for this group the finance agency has no basis on which to act even if it wished to, because the dossier does not exist. That is why measures aimed at accelerating appraisal and approval, correctly directed though they are, can reach only about half of the outstanding stock.

Effects of the locked stock propagate outward. Unallocated capital means unpaid liabilities to contractors, which hits construction firms' cash flow directly and their capacity to bid for subsequent packages indirectly. Running the other way, the share of the capital plan that must be devoted to clearing old obligations reduces the room available for new projects. Settlement delay is thus one contributor to slow public investment disbursement, a link the authorities have acknowledged but not quantified.

Table 13 gives an illustrative sense of what the locked stock costs to carry. The discount rate is an assumption rather than an observed quantity, and the figures indicate an order of magnitude, nothing finer.

Table 13. Illustrative annual carrying cost of capital locked in completed projects

Assumed cost of public funds (%)	Notional annual carrying cost (VND billion)	As a share of the 2024 development investment plan (%)
3.0	938.7	0.14
4.0	1,251.6	0.18
5.0	1,564.4	0.23
6.0	1,877.3	0.28
7.0	2,190.2	0.32

Source: authors' illustrative calculation applied to the VND 31,288.8 billion outstanding.

Even at the lowest rate considered, the notional annual carrying cost approaches VND 1 trillion. Against that benchmark the cost of the administrative measures proposed in Section 6 is small.

4.9 Synthesis of causes

Drawing together the violation structure, the regulatory record and the evidence on stratification, the causes fall into four clusters, set out in Figure 11.

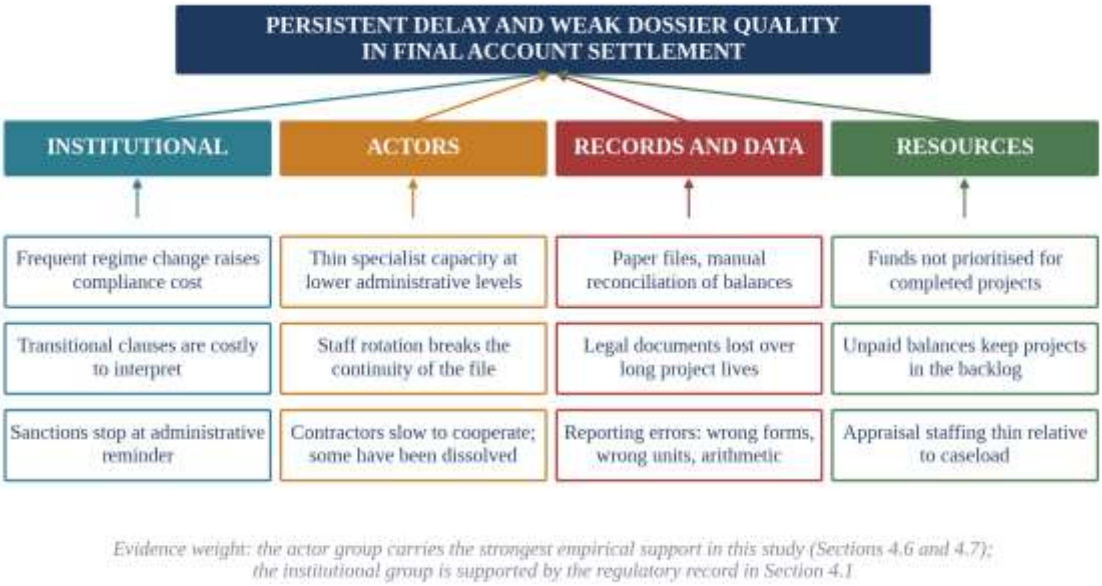

Figure 11. Causal structure of delay and weak dossier quality in final account settlement

Source: authors' synthesis of the analytical results and of the management reporting reviewed.

Institutional causes. As Section 4.1 showed, the high frequency of regulatory change generates appreciable compliance costs, particularly for projects spanning several generations of rules. Sanctions for delay, though provided for, stop largely at administrative processing and reminder, and are not tied to financial consequences severe enough to alter behaviour.

Causes located in the acting parties. The evidence in Sections 4.6 and 4.7 gives this cluster the strongest explanatory power. Specialist settlement capacity among some investors and project management units is limited, particularly at lower administrative levels where officials hold several roles concurrently. Staff rotation interrupts the continuity of the file, since an incoming officer typically lacks the project history and needs considerable time to reconstruct the context. On the contractor side, slow cooperation in supplying documents is common, and where a contractor has been dissolved or has ceased trading, completing the dossier may be impossible by ordinary means.

Causes located in records and data. The procedure still rests largely on paper files and manual processing. For projects running over many years, legal documents are easily lost or missing. Discrepancies between the investor's figures and those of the control and payment agency are routine, and each reconciliation consumes substantial time. The Ministry of Finance has also noted deficiencies in the quality of unit reporting: wrong forms, wrong units of measurement, arithmetic errors, and omission of any assessment of the causes of delay.

Causes located in resources. Failure to prioritise funding for completed projects, and particularly for those with approved settlements, creates a self-reinforcing loop. A project without allocated funds cannot have its account cleared, and the unclosed account keeps the project on the backlog list. On the appraisal side, staffing is generally thin relative to caseload. Section 4.3 showed this is not the largest constraint; Section 4.4 showed it would become considerably more binding if the initiation problem were solved.

5. DISCUSSION

5.1 Design improved while effectiveness did not

Our central empirical result is a divergence between the trajectory of the rules and the trajectory of performance. Over the study period the framework moved from a set of ministerial circulars to a government decree aligned with the Public Investment Law, and then toward consolidation of settlement rules for public investment, recurrent expenditure and other state budget sources within a single instrument. On any reasonable reading, institutional design improved. The violation rate did not.

That is precisely the pattern the design-effectiveness distinction in the international assessment literature was constructed to capture, and Vietnam's settlement stage supplies an unusually clean illustration of it. The measured gap is not a matter of interpretation: the legal upgrade is documented in the instruments themselves and the absence of improvement in the Ministry of Finance series.

For reform sequencing this is an uncomfortable conclusion. Further investment in the quality of the rules has low expected returns and, beyond a point, becomes counterproductive, since each amendment resets the compliance burden for tens of thousands of investors. Against project lives that commonly exceed five years, Table 2 shows a governing instrument changing on average every thirty-nine months. Stability is now worth more than refinement.

5.2 The backlog that never enters the system

Worth dwelling on next is the finding that two thirds of the unapproved stock consists of projects whose dossiers have never been lodged. Administrative reform in this area has concentrated on what happens to dossiers after they arrive: appraisal timetables, approval competences, documentation requirements. None of that machinery engages with a project whose dossier was never prepared.

Section 4.4 sharpens the point from the other direction. The pipeline processes its caseload slowly, but its caseload is small relative to the portfolio. Solving initiation without expanding processing capacity would simply relocate the queue, which is an argument for sequencing digitalisation and capacity building ahead of tighter sanctions rather than alongside them.

There is also a detection problem. A project that has never lodged a dossier generates no record in the settlement system, so the fact of its absence has to be inferred by comparing completion records against settlement records held by different agencies. That is why the automatic alert function described in Section 6.3 matters more than its technical modesty suggests: it converts a passive absence into an active signal.

5.3 The small-project penalty

Across every cut of the data available to us, the relationship between project size and dossier quality holds. District-managed projects show deduction rates 3.2 times those of city-managed projects and average roughly one fifth their size. Within city-managed projects, the smaller group C projects show higher deduction rates than group B. Nationally, average settlement value per project is lower still, at VND 7.7 billion.

What generates the pattern is harder to establish than the pattern itself, and our data cannot settle it. Fixed compliance costs per dossier fall disproportionately on small projects, so a unit handling many small projects carries a heavier administrative load per unit of capital managed. Specialist capacity is also thinner at lower tiers, where settlement work is frequently an additional duty rather than a defined post. Both mechanisms would produce what we observe.

Either way, the design principle is the same: technical support should be allocated by dossier count rather than by capital value. Present practice, which distributes resources broadly in proportion to the volume of capital managed, systematically under-resources exactly the units where dossier quality is weakest.

This bears on the interpretive question raised in Section 4.5 as well. If the low national deduction rate reflected genuinely accurate dossiers, there would be no reason for it to vary by a factor of three across management tiers within a single city operating under one framework. The variation fits the cautious reading better, that appraisal depth varies with the resources available to conduct it, though establishing this would require data on appraisal inputs that are not published.

5.4 Positioning against international benchmarks

Table 14 sets the findings against the two standard international diagnostic frameworks.

Table 14. Findings positioned against international public investment management frameworks

Framework element	What the framework expects	What this study observes in Vietnam
World Bank must-have function 7: facility operation	Assets are brought into service with their value properly recorded	Assets are in service, but 37 per cent of the completed stock has no approved settlement value
World Bank must-have function 8: project evaluation	Completed projects are reviewed against their original cost and objectives	Evaluation is constrained because final cost data are missing for a large share of the portfolio
IMF institution 12: availability of funding	Funds are available when commitments fall due	VND 14,339 billion remains unpaid on projects whose settlements are already approved
IMF institution 15: monitoring of public assets	Asset values are recorded and depreciation is captured in government accounts	Recognition is deferred for years on a large block of assets whose value is unfixed
IMF cross-cutting factor: information systems	Systems support the investment cycle end to end	Settlement still rests on paper files and manual reconciliation; no automatic detection of unlodged dossiers
IMF cross-cutting factor: staff capacity	Adequate specialist capacity across the administration	Deduction rates 3.2 times higher at the lower administrative tier point to a capacity gradient
IMF design and effectiveness distinction	Design and effectiveness are scored separately because rules on paper do not guarantee practice	The clearest finding of this study: design improved from circular to decree while the violation rate held at 18 to 20 per cent

Source: authors' mapping against Rajaram and others (2010, 2014) and International Monetary Fund (2018, 2022).

Mapped this way, Vietnam's settlement problem turns out not to be unusual in kind. Asset monitoring and the closure end of the project cycle are recognised weak points across the assessed country population. What the Vietnamese data add is resolution. Because the disclosures report violations by stage and, in Hà Nội's case, by unit, it becomes possible to establish not merely that the closure stage underperforms but where within it and, more to the point, in which organisations.

That resolution is what makes targeted intervention feasible. A country-level assessment can conclude that asset monitoring is weak; it cannot identify the two administrative units carrying 62.6 per cent of a jurisdiction's delay burden. The measurement approach set out in Section 2.2, applied to data that many countries already publish, offers a route to that finer diagnosis elsewhere.

6. POLICY IMPLICATIONS

Five groups of measures follow from the causal structure identified above. Each is tied to a specific cluster of causes, names the party responsible for delivery, and carries an indicator against which progress can be assessed, rather than resting at the level of general recommendation. Figure 12 positions the five against expected impact and feasibility.

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Figure 12. Solution groups positioned by expected impact and feasibility

Source: authors' proposal; positions reflect the authors' judgement, not measured quantities.

6.1 Stabilise the institutional framework

Consolidating settlement rules within a single instrument is the right direction and should now be held stable long enough for the affected parties to adapt. Further amendment should be governed by the principle that change is made only where impact assessment shows benefits exceeding the compliance costs generated.

Transitional provisions should be simplified as far as possible, ideally resting on a single criterion that is easy to establish, such as the date on which a complete dossier reached the lead appraising agency. The system of settlement forms likewise needs stability, since every revision obliges tens of thousands of investors to reconstitute their documentation.

6.2 Strengthen capacity and continuity among the acting parties

The evidence in Sections 4.6 and 4.7 puts this group first in priority and requires that it be designed selectively rather than broadly. Training and technical support should concentrate on units at lower tiers managing many small projects, where deduction rates are higher and overdue dossiers cluster.

Within project management units, the settlement function should be defined as a standing post carrying stated qualification requirements and periodic refresher training. On staff rotation, the direct remedy is a mandatory handover rule: an officer transferring out must hand over a complete schedule of settlement files still in progress, confirmed by the receiving officer, with that confirmation made a condition of completing the transfer.

Contractor risk calls for a different instrument. Construction contracts should carry firmer obligations to supply settlement documentation, tied to a retained proportion of the contract value released only once a complete dossier has been lodged.

6.3 Digitalise the settlement process

This group offers the greatest potential for fundamental change in the records and data cluster. The core requirement is a settlement database linking investors, the payment control agency and the finance agency, allowing figures to be reconciled automatically rather than by hand. Once disbursement data are synchronised in real time, most of the time now spent on reconciliation at appraisal disappears.

Automatic alerts keyed to the statutory deadlines should run alongside, issued to the investor and to its supervising agency as a project approaches or passes its date. Proactive alerting matters most for the 17,993 projects with no dossier lodged, a group for which no automatic detection mechanism currently exists. Standardising data entry would additionally eliminate the form and arithmetic errors the authorities have documented.

6.4 Tighten sanctions and accountability

Sanctions work only where they are applied consistently and attach to consequences the responsible party actually minds. Within those limits, the practicable options are reasonably clear. Investors and contractors in breach of settlement deadlines could be published periodically on the national procurement information system. Settlement results could enter the annual performance assessment of unit heads. New projects could be withheld from investors whose count of projects in breach exceeds a defined threshold.

Section 4.7 indicates how to apply these efficiently. Rather than applying them across the board, the authorities should construct a list of units whose backlog exceeds a threshold and focus enforcement there. Targeting conserves supervisory resources and sends a clear signal that settlement outcomes are a personal responsibility rather than an unavoidable consequence of the rules.

6.5 Secure the funding needed to clear the backlog

This group aims at breaking the self-reinforcing loop identified in Section 4.9. The principle is that funds should be allocated to completed projects with approved settlements before being allocated to new projects, consistent with the legal provisions on principles, criteria and norms for allocating public investment capital.

The VND 14,339 billion still unpaid on projects that already hold settlement approvals, identified in Section 4.5, is the natural first target, since every procedural step has been completed and only the funds are missing.

A separate mechanism is needed for long-standing cases where the dossier cannot be completed by ordinary means, such as projects whose contractor has been dissolved or whose records have been lost to the passage of time. Keeping these on the backlog list year after year serves no management purpose and distorts the aggregate picture.

6.6 Sequencing

Table 15 summarises the five groups, and Table 16 sets out an indicative sequence.

Table 15. Solution matrix: content, responsible party, indicator and priority

Group	Core content	Responsible party	Indicator	Priority
S1. Institutional stability	Hold the consolidated instrument stable; simplify transitional provisions; freeze the system of forms	Ministry of Finance	Number of changes to the forms within a five-year cycle; average time to complete one dossier	Medium
S2. Capacity and continuity	Define the settlement post and its qualifications; target training on lower-tier units; make file handover a condition of staff transfer; retain a share of contract value until the dossier is lodged	Ministries, sectors, provincial People's Committees; investors and project management units	Deduction rate by management level; share of transfers with a complete file handover	High

Group	Core content	Responsible party	Indicator	Priority
S3. Digitalisation	Build a settlement database linking investors, the payment control agency and the finance agency; electronic lodgement; automatic alerts keyed to statutory deadlines	Ministry of Finance; State Treasury	Share of dossiers lodged electronically; average appraisal duration; projects alerted before the deadline	High
S4. Sanctions and accountability	Publish the list of parties in breach; tie settlement results to the annual assessment of unit heads; withhold new projects above a defined violation threshold	Provincial People's Committees; the investor's supervising agency	Violation rate against statutory deadlines; concentration of the backlog by unit	Medium
S5. Securing funding	Give allocation priority to projects with approved settlements; create a separate mechanism for long-standing cases that cannot be completed by ordinary means	Ministry of Finance; provincial People's Committees	Capital still owed to completed projects; that figure as a share of the annual development investment plan	High

Source: authors' proposal.

Table 16. Indicative sequencing of the reform package

Phase	Horizon	Measures brought forward	Milestone to be reached
Phase 1. Establish the conditions	Year 1	S1 form freeze; S2 definition of the settlement post and mandatory handover rule; S5 allocation priority for projects with approved settlements	The VND 14,339 billion owed on already-approved settlements is cleared; the file handover rule is in force
Phase 2. Build the instrument	Years 1 to 2	S3 database linking investor, treasury and finance agency; automatic deadline alerts; electronic lodgement in pilot localities	Every unlodged dossier generates an automatic alert; appraisal reconciliation time falls measurably
Phase 3. Target the backlog	Years 2 to 3	S2 training concentrated on units above the backlog threshold; S4 publication of units in breach; settlement results enter the assessment of unit heads	Concentration of the backlog, measured by the Gini coefficient and CR2, falls in the targeted jurisdictions
Phase 4. Enforce and consolidate	Year 3 onward	S4 withholding of new projects above the violation threshold; S5 separate mechanism for irrecoverable legacy cases	The violation rate breaks below the 18 to 20 per cent band for the first time

Source: authors' proposal. The sequence follows the principle that measures enabling compliance precede measures enforcing it.

These five groups are complementary rather than substitutable. Digitalising the process without tightening sanctions would produce a more efficient record of violations rather than fewer violations. Tightening sanctions without securing funding would expose investors to penalty for obstacles beyond their control. The sensible order begins with the three groups that create the conditions for compliance, namely capacity, digitalisation and funding, before enforcement is intensified.

7. CONCLUSION

We have examined the quality of final account settlement for completed state-budget construction projects in Vietnam along three dimensions, drawing on Ministry of Finance aggregates, detailed Hà Nội disclosures and the regulatory record for 2016 to 2026.

The violation rate has held steady at 18 to 20 per cent across successive years and did not improve after the framework was raised from circular to decree level. Such unusual stability locates the constraint in implementation and in the structure of incentives rather than principally in the content of the rules.

Violations concentrate at the two ends of the procedure. Dossier preparation by investors and approval by competent authorities account for 85.4 per cent of breaches while appraisal accounts for 14.6 per cent. Two thirds of the backlog belongs to projects that have not lodged a dossier and have therefore never entered the processing pipeline. Conditional on entering it, however, the probability of breach is high, which means that solving initiation without expanding capacity would relocate the queue rather than clear it.

Quality is stratified by management level and, more sharply, by unit. In Hà Nội in 2024 the appraisal deduction rate for district-managed projects ran at 3.2 times that for city-managed projects, and the relationship between average project size and dossier quality holds across every available cut of the data. Overdue dossiers are concentrated to a degree that concentration statistics place well beyond what a systemic explanation would predict: a Gini coefficient of 0.837, a Herfindahl index of 2,216, two units carrying 62.6 per cent of the burden, and twenty of thirty units carrying none.

Fiscal consequences are material. Capital still owed to completed projects reached VND 31,288.8 billion, about 4.6 per cent of the annual development investment plan financed from the state budget, and the ratio is rising rather than falling. Of that total, VND 14,339 billion belongs to projects that have completed every procedural step and await only the money.

Our principal policy implication is a redirection of effort along two axes. The first runs from further refinement of the rules toward redesigning incentives and securing the conditions for compliance. The second runs from broad measures toward targeted ones, concentrating on units at lower tiers managing many small projects and on the small group of units whose backlog exceeds a defined threshold.

These conclusions come bounded. National aggregates do not permit construction projects to be separated from other categories of public investment, and the Hà Nội case, illustrative though it is of stratification, cannot carry a national generalisation on its own.

Work that would push past those bounds suggests itself readily enough. A wider sample of localities would permit statistical testing of the relationship between management level, project size and settlement quality. Survey work among officials responsible for settlement within project management units would allow the relative weight of the causal clusters to be quantified, which secondary data cannot do. And repeating the concentration analysis across several jurisdictions and several years would establish whether the degree of concentration found in Hà Nội is typical. That last question matters most, because its answer determines how widely the targeted approach proposed here can be applied.

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