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## **Delineating Competences and Coordination Mechanisms between Provincial- and Commune-Level Governments in Vietnam's Current Two-Tier Local Government Model**

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### **ARTICLE INFO**

**Received:** April 15<sup>th</sup>, 2026

**Accepted:** May 10<sup>th</sup> 2026

**Published:** May, 29<sup>th</sup> 2026

**Volume:** 4

**Issue:** 2

DOI: <https://doi.org/10.61424/issej.v4i2.843>

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### **KEYWORDS**

Two-tier local government; delineation of competences; provincial level; commune level; decentralization; devolution; coordination mechanisms; digital transformation; administrative reform

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### **ABSTRACT**

This article examines the delineation of competences and coordination mechanisms between provincial-level and commune-level governments in the context of Vietnam's strong push for reform of the state apparatus—streamlining organizational structures, reducing intermediate units, and improving the effectiveness and efficiency of local governance. Based on an analysis of the 2013 Constitution, the 2015 Law on Organization of Local Government, the 2019 Law amending and supplementing it, specialized laws, and the Party's guiding documents, the article clarifies the legal, organizational, and governance requirements for shifting from a local government model that includes an intermediate tier to a two-tier local government model. The article does not use survey data, pilot data, or empirical assessments lacking official sources; evaluations of shortcomings are approached from the perspective of institutional analysis, legal risks, and implementation requirements. The research findings indicate that the two-tier local government model can only be effective when competences between the provincial and commune levels are clearly delineated and aligned with resources, personnel, finance, data, and accountability. The provincial level should concentrate on strategic functions, planning, resource allocation, management of sectors and fields with inter-regional characteristics, and inspection and supervision; the commune level should be vested with appropriate competences for tasks directly related to residents, businesses, and grassroots communities. The article proposes solution groups including legal improvement, designing a competence matrix, enhancing commune-level capacity, building an integrated one-stop-shop mechanism, accelerating digital transformation, ensuring financial resources, and strengthening oversight and accountability.

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### **1. Introduction**

The organization and operation of local government is a central component of the process of building a socialist rule-of-law state in Vietnam. Local government is not only a constituent part of the unified state apparatus, but also the institution that directly organizes the implementation of law, provides public services, and safeguards the lawful rights and interests of residents, organizations, and businesses in localities. Therefore, the organizational model of

local government directly affects the quality of public governance, the efficiency of resource use, and citizens' satisfaction.

The 2013 Constitution stipulates that local government is organized in the administrative units of the Socialist Republic of Vietnam and that the organization of local government must be suitable to the characteristics of rural areas, urban areas, islands, and special administrative–economic units as prescribed by law (National Assembly, 2013). This provision creates a constitutional basis for renewing the local government model in a flexible manner, without absolutizing a rigid organizational model for all areas. On that basis, the 2015 Law on Organization of Local Government and the 2019 Law amending and supplementing it further specify the principles of organization and operation, as well as the tasks and powers of local governments at all levels (National Assembly, 2015b, 2019c).

In recent years, the requirement to streamline organizational structures, reduce intermediate units, and improve the effectiveness and efficiency of the political system has been increasingly emphasized. Resolution No. 18-NQ/TW identifies the need to continue innovating and reorganizing the organizational apparatus of the political system to be streamlined and operate effectively and efficiently (Central Committee of the Communist Party of Vietnam, 2017). Resolution No. 37-NQ/TW sets out tasks for arranging district- and commune-level administrative units (Politburo, 2018). Resolution No. 35/2023/UBTVQH15 of the National Assembly Standing Committee further specifies the arrangement of district- and commune-level administrative units for the 2023–2030 period (National Assembly Standing Committee, 2023). The orientation toward renewing organizational structures and improving the quality of national and local governance continues to be reflected in the documents of the 14th National Party Congress (Communist Party of Vietnam, 2026).

In that context, the two-tier local government model—consisting of the provincial level and the commune level—has been raised as a reform option that may shorten management layers, reduce intermediate steps, and increase the direct relationship between government and citizens. However, not organizing the district level as a tier of local government is not merely a mechanical matter of reducing units. The core issue is the need to redesign the entire relationship of competences, responsibilities, resources, and coordination mechanisms between the provincial and commune levels. If tasks are simply shifted from the district level upward to the province or downward to the commune without redesigning the operating institution, the two-tier model may generate risks such as overload at the commune level, excessive concentration at the provincial level, overlapping responsibilities, delays in handling administrative procedures, and reduced access to public services for citizens.

This article focuses on answering three main research questions. First, what principles should the delineation of competences between provincial- and commune-level governments in the two-tier model be based on? Second, in key areas such as budget, investment, personnel, land, construction, public services, and security and order, how should competences between the two levels be designed? Third, what coordination mechanisms should be built to ensure the two-tier model operates smoothly without creating management gaps or “de facto” intermediate layers?

Methodologically, the article uses legal analysis, public policy analysis, and institutional analysis. Legal documents, resolutions, and administrative reform programs are used as primary bases. The article refers to principles of modern decentralization governance, especially the principle that public tasks should be assigned to the level of government closest to citizens that has sufficient capacity to implement them effectively, often referred to as the subsidiarity principle (OECD, 2019). The article does not use unverified citations, dead links, fabricated data, or empirical assertions without official sources.

## **2. Theoretical and Legal Foundations for Delineating Competences in the Two-Tier Local Government Model**

### ***2.1. The concept of the two-tier local government model***

The two-tier local government model can be understood as a model in which the local government system is primarily organized at two levels: the provincial level and the commune level. The provincial level includes provinces and centrally governed cities; the commune level includes communes, wards, and townships, or corresponding grassroots

administrative units as stipulated by law. The key feature of this model is that the district level is not organized as a full-fledged tier of local government between the province and the commune.

It is necessary to clearly distinguish not organizing the district level as a tier of government from abolishing all institutions, services, or units operating on an area basis. In governance practice, many public services such as health care, education, social assistance, fire prevention and fighting, land registration, construction inspection, traffic management, or specialized inspection may still need to be organized on a regional basis to ensure citizens' access. However, these institutions are not necessarily an independent tier of local government; they can be specialized agencies, public service units, branches, public administrative service centers, or regional task forces under the provincial level. Thus, the two-tier model does not mean that all management activities must be concentrated at the provincial headquarters or entirely assigned to the commune level.

The two-tier model pursues three basic objectives. First, to streamline the apparatus, reduce intermediate layers, and reduce coordination costs. Second, to shorten the distance between decision-making bodies and citizens, organizations, and businesses. Third, to create conditions for stronger devolution to the grassroots for tasks directly linked to community life. However, these objectives can only be achieved when competences are delineated reasonably, avoiding an extreme approach of either "provincializing" or "communalizing" all tasks that were previously performed by the district level.

### ***2.2. Delineation of competences; devolution; decentralization; and delegation***

Delineation of competences is the process of clearly determining which agency or level of government has the authority to decide, organize implementation, inspect and supervise, and bear legal responsibility for a specific group of tasks. In the local government model, delineation of competences is not merely a division of administrative work, but also the establishment of political, legal, and financial responsibility among levels.

Four related concepts must be distinguished. First, devolution is when the law directly assigns tasks and powers to a level of local government. Once devolved, that level has substantive decision-making authority within the scope set by law and is responsible for its decisions. Second, decentralization is when a higher-level state agency assigns a lower-level agency to perform certain tasks and powers within the framework of law. Third, delegation is when an authority-holder assigns another agency or person to perform a specific task within a specified duration, conditions, and scope. Fourth, coordination is the linkage among agencies and levels of government in carrying out tasks that are interlinked, inter-sectoral, or beyond the scope of a single level.

In the two-tier model, distinguishing these concepts is particularly important. If a task is devolved by law to the commune level, the commune must have real decision-making power and corresponding responsibility. If a task is only delegated by the province to the commune, the scope, duration, and responsibilities for guidance, inspection, and ultimate responsibility of the delegating agency must be clearly determined. If these differences are not clarified, practice may produce situations where the commune level "has work but no power," or "has formal power but no resources," or where the province interferes too deeply in matters that the commune should manage proactively.

### ***2.3. Principles for delineating competences***

First, delineating competences must ensure constitutionality and legality. All tasks and powers of local government must have a basis in the Constitution, laws, and relevant normative legal documents. The two-tier local government model cannot operate stably if specialized laws continue to prescribe powers for the district level without transitional mechanisms or synchronized amendments. Therefore, completing the two-tier model requires reviewing the entire legal system on government organization, budget, land, construction, public investment, education, health, civil servants, and other state management fields.

Second, delineating competences must ensure the principle of proximity to citizens while being tied to implementation capacity. Under the subsidiarity principle, public tasks should be assigned to the level of government

closest to citizens if that level can implement them effectively (OECD, 2019). This does not mean all tasks should be assigned to the commune level. The commune level is close to residents, understands them, and knows the territory, but it may not always have sufficient professional, financial, technological, and human-resource capacity to address complex issues such as approving large investment projects, appraising plans, issuing complex construction permits, recovering land on a large scale, or managing large-scale budgets. Thus, the criterion of “close to citizens” must go together with the criterion of “sufficient capacity.”

Third, authority must go hand in hand with resources. Assigning additional tasks to the commune level is meaningful only if accompanied by corresponding resources in budget, staffing, facilities, data, technology, and officials’ capacity. The 2015 State Budget Law sets the framework for assigning revenue sources and expenditure responsibilities among budget levels (National Assembly, 2015a). When the government model changes, the budget mechanism must also be adjusted to avoid the situation where communes must do more work without the conditions to do so.

Fourth, delineation of competences must ensure accountability. One risk of a multi-layer model is responsibility shifting. The two-tier model can remedy this risk if each task clearly identifies the lead agency, coordinating agencies, processing deadlines, quality standards, and inspection mechanisms. Conversely, if the intermediate tier is removed but responsibilities are not redefined, responsibility shifting may become a situation where “it is unclear who is responsible” between the provincial and commune levels.

Fifth, delineation of competences must take into account differences among localities. The 2013 Constitution allows local government to be organized in a manner suitable to the characteristics of rural areas, urban areas, and islands (National Assembly, 2013). Resolution No. 1211/2016/UBTVQH13 also sets standards for administrative units and classifies administrative units (National Assembly Standing Committee, 2016). Therefore, a completely identical devolution mechanism should not be applied to all communes, wards, and townships. A densely populated urban ward with good digital infrastructure and a strong team of specialized officials may be able to assume more powers than a mountainous, remote, border, island, or socio-economically disadvantaged commune.

### **3. The Current Legal Framework and Adjustment Requirements for the Two-Tier Model**

#### ***3.1. Constitutional and statutory bases***

The 2013 Constitution is the highest legal foundation for organizing local government. Under the Constitution, local government is organized in administrative units; a local government level consisting of the People’s Council and the People’s Committee is organized in a manner suitable to the characteristics of each type of administrative unit (National Assembly, 2013). This provision allows the law to prescribe different organizational models, provided that the principles of unified state power, the people’s mastery, and effective state management are ensured.

The 2015 Law on Organization of Local Government provides for tasks, powers, organizational structure, and operating principles of local government. The 2019 amending law further adjusts certain contents regarding local government organization and relations among government levels (National Assembly, 2015b, 2019c). However, the existing legal system has basically been built under conditions where the district level exists as a tier of local government. Many specialized laws still prescribe powers for district-level People’s Committees, district-level specialized agencies, or heads of district-level agencies. Therefore, when moving to the two-tier model, it is necessary not only to amend the Law on Organization of Local Government but also to synchronously amend specialized laws.

Political–legal documents on reorganizing the apparatus and administrative units provide a premise for studying the two-tier model. Resolution No. 18-NQ/TW emphasizes the goal of streamlining the apparatus to operate effectively and efficiently (Central Committee of the Communist Party of Vietnam, 2017). Resolution No. 37-NQ/TW orients the arrangement of district- and commune-level administrative units (Politburo, 2018). Resolution No. 35/2023/UBTVQH15 provides for arranging district- and commune-level administrative units for 2023–2030 (National Assembly Standing Committee, 2023). These are important bases for organizing administrative space, but Resolution No. 35/2023/UBTVQH15 should not be understood as a document piloting the two-tier local government model in a specific locality. The correct understanding is that this resolution governs the arrangement of district- and commune-level administrative units nationwide by phase.

### **3.2. *The need to review specialized laws***

The two-tier model requires review of at least five groups of specialized laws.

The first group is law on organizational apparatus and officials/civil servants. The 2008 Law on Officials and Civil Servants and the 2019 amending law regulate the civil service regime, including commune-level cadres and civil servants (National Assembly, 2008, 2019d). Decree No. 33/2023/ND-CP provides for commune-level cadres and civil servants and part-time workers at commune level and in villages and residential groups (Government, 2023). When communes assume more tasks, rules on job positions, title standards, recruitment, training, evaluation, and remuneration must be adjusted accordingly.

The second group is law on budget, finance, and public investment. The 2015 State Budget Law and the 2019 Public Investment Law provide mechanisms for allocation, management, and use of state budget and public investment capital (National Assembly, 2015a, 2019a). In the two-tier model, the provincial level will directly allocate and coordinate resources to communes; communes may have to undertake more spending tasks. Therefore, the budget decentralization mechanism must be redesigned to ensure authority is matched with resources.

The third group is law on land, planning, and construction. The 2024 Land Law, the 2014 Construction Law, and the 2020 Law amending and supplementing a number of articles of the Construction Law all contain many provisions related to the powers of government levels (National Assembly, 2014, 2020, 2024). This group is complex and sensitive, directly affecting property rights of residents and businesses and local development resources. The transfer of powers must be designed carefully, avoiding assigning beyond commune capacity but also avoiding funneling too many files to the provincial level.

The fourth group is law on education, health, social security, and public services. The 2019 Education Law and the 2023 Law on Medical Examination and Treatment provide for the education and health facility systems and state management responsibilities in each field (National Assembly, 2019b, 2023). When organizing the two-tier model, it is necessary to distinguish between government levels and service delivery networks. Not organizing the district level does not mean abolishing education, health, or public service facilities currently serving citizens regionally.

The fifth group is law on security and order, inspection, examination, and handling of violations. The 2015 Law on Organization of Criminal Investigation Agencies and related specialized documents regulate the competences of law enforcement forces (National Assembly, 2015c). The two-tier model must ensure that no gaps arise in handling violations, receiving reports, safeguarding grassroots security, preventing and combating crime, and managing social order.

## **4. Delineating Competences between the Provincial and Commune Levels in the Two-Tier Model**

### **4.1. *A competence-matrix approach***

To avoid overlaps or omissions, competences in the two-tier model should be designed according to a matrix consisting of four groups.

The first group is exclusive competences of the provincial level. These are tasks that are strategic, inter-regional, inter-communal, require high expertise, large resources, or have wide legal impacts. Examples include: provincial development planning, allocation of the provincial budget, approval of large-scale public investment projects, management of shared databases, specialized inspections, coordination of regional development, and handling issues beyond the scope of a commune.

The second group is exclusive competences of the commune level. These are tasks directly associated with the residential community, frequent, on-site, and requiring local knowledge. Examples include: receiving and settling

certain grassroots administrative procedures; managing civil status and certification as prescribed; verifying factual information within the locality; organizing implementation of social security policies; managing community order; grassroots mediation; reporting and updating data on population, land, infrastructure, and environment.

The third group is shared/coordination competences. These are tasks that require both provincial professional decisions and commune-level field information. Examples include: land administration, construction planning, compensation/support/resettlement, construction permitting in complicated cases, management of schools and health stations, disaster prevention, environmental protection, complaint and denunciation settlement. For this group, it is necessary to clearly specify the lead agency, coordinating agency, processing deadlines, and the legal value of each level's opinions.

The fourth group is delegated or conditionally decentralized competences. These are tasks originally under provincial authority but that can be assigned to communes if conditions on personnel, infrastructure, data, and risk control are met. This mechanism allows uneven devolution among areas, suitable to rural, urban, and island characteristics and the actual capacity of each commune, ward, or township.

#### ***4.2. Competences in the economy, planning, finance, and budget***

In the two-tier model, the provincial level should play a central role in socio-economic development strategy formulation, spatial development planning, investment coordination, budget balancing, and resource allocation. Decisions that are inter-communal, inter-regional, inter-sectoral, or affect the whole province should fall within provincial competence. This aligns with the provincial level's role as the comprehensive management level with specialized agencies, data, analytical capacity, and the ability to coordinate resources.

The commune level should be assigned competences to formulate and organize implementation of socio-economic development plans within the grassroots scope, consistent with provincial orientations. The commune level also needs authority to propose lists of projects and works serving livelihoods; participate in identifying investment needs; manage and supervise small works in the locality; mobilize community participation in grassroots infrastructure building; and monitor and report the production, business, and living conditions of residents.

Regarding the budget, the most important issue is designing an allocation mechanism based on tasks. If communes are assigned more tasks without corresponding budget supplements, the two-tier model will create an unsustainable burden. Conversely, if the province concentrates all resources and only assigns work to communes through administrative orders, communes will have difficulty being proactive. Therefore, a budget allocation formula should be built based on population, area, urbanization level, geographical conditions, degree of difficulty, volume of administrative files, and the number of assigned tasks. This mechanism must ensure fairness but avoid rigid equal distribution.

For public investment, the provincial level should decide the list, technical standards, and capital balancing for projects that are inter-communal, inter-regional, or require high technical capacity. The commune level can act as investor or implementing for small works, community works, and works directly serving residents' lives if it has sufficient capacity. The 2019 Public Investment Law is an important basis for redesigning this process when the district level no longer exists as an intermediate step (National Assembly, 2019a).

#### ***4.3. Competences in organizational apparatus and personnel***

One of the biggest challenges of the two-tier model is reorganizing the cadre and civil servant workforce. When the district level is not organized, some specialized tasks previously performed by districts must be shifted upward to the province, downward to communes, or reorganized through regional specialized units. This requires reassessing job positions, title standards, civil servant structure, and methods of workforce utilization.

The provincial level needs unified competence over planning, recruitment, training, secondment/rotation, evaluation, and inspection of commune-level cadres and civil servants. However, this does not mean communes are completely passive in personnel work. Communes need the right to propose staffing needs, assess work fulfillment, recommend training, and participate in providing comments on cadres and civil servants working in the locality.

Two extreme tendencies should be avoided. The first is mechanically increasing commune staffing to compensate for district-level functions, which may undermine the goal of streamlining the apparatus. The second is keeping commune staffing unchanged while assigning many additional complex tasks, which can lead to overload, superficial devolution, and reduced service quality for citizens. A more suitable solution is to restructure the civil service according to job positions, apply technology to reduce manual work, increase specialized human resources where needed, and organize provincial-level specialized support teams on an area basis.

Decree No. 33/2023/ND-CP is an important legal basis on commune-level cadres and civil servants and part-time workers at commune level and in villages/residential groups (Government, 2023). However, under the two-tier model, it is necessary to continue reviewing regulations on standards for positions such as land–construction, finance–accounting, justice–civil status, culture–social affairs, and office–statistics. These positions will bear heavy pressure when communes assume more tasks.

#### ***4.4. Competences in land, planning, and construction***

Land, planning, and construction are sensitive, complex fields prone to disputes. The 2024 Land Law created a new legal framework on land administration and use, land users’ rights and obligations, land recovery, compensation/support/resettlement, land registration, and land databases (National Assembly, 2024). However, when organizing the two-tier model, it is necessary to review provisions currently tied to district-level competence to determine transfer to the province, the commune, or specialized agencies under the province.

It is not advisable to transfer all district-level land competences to the commune level. Many land decisions have major impacts on property rights, economic interests, and legal order, requiring expertise in surveying, mapping, cadastral records, land valuation, land-use planning, compensation, and dispute resolution. Communes have advantages in understanding land origins, current land use, and community relations, but do not always have sufficient legal and technical capacity to decide complex matters.

A reasonable approach is for the provincial level to retain decision-making power over matters with significant legal effects such as land allocation, land lease, land recovery, land-use purpose change, and approval of compensation/support/resettlement plans in cases prescribed by law. The commune level should focus on receiving initial dossiers, verifying field information, updating changes, managing public-utility land, detecting violations, mediating land disputes at the grassroots, and coordinating data provision for provincial specialized agencies. Land registration agencies should be organized in a professional manner, with integrated data and reception points or service units at the grassroots so citizens do not have to travel far.

For planning and construction, the 2014 Construction Law and the 2020 amending law set requirements on construction planning, construction permits, construction quality management, and construction order (National Assembly, 2014, 2020). In the two-tier model, the provincial level should manage planning, technical standards, and works with large scale or high complexity in a unified manner. The commune level should be assigned responsibility to monitor construction order, detect illegal works, receive citizens’ reports, coordinate field inspections, and handle initial steps within its authority. Wards and urban communes with sufficient capacity may be delegated to handle some simple construction procedures, but there must be unified software, processes, forms, and inspection mechanisms.

#### ***4.5. Competences in education, health, culture, and social security***

In education, the provincial level needs unified management over school network planning, quality standards, teacher staffing, budget allocation, infrastructure investment, and quality accreditation. The 2019 Education Law is an important legal basis to ensure the right to education, education quality, and state management responsibilities in education (National Assembly, 2019b). The commune level has a coordinating role in managing children of school age, mobilizing for universal education, monitoring learning conditions in the locality, supporting preschool and primary education institutions, and coordinating to ensure school safety.

In health care, the 2023 Law on Medical Examination and Treatment sets requirements for professional quality assurance, patient safety, and organization of the medical examination and treatment system (National Assembly, 2023). When the district level is not organized as a tier of government, it should not be understood that medical facilities currently serving citizens regionally must be eliminated. On the contrary, the health network should be organized according to citizens' service access needs. The provincial level can manage the health facility system in a unified manner, while the commune level continues to play the role of grassroots health care, primary health care, disease prevention and control, community health management, and referral coordination.

In culture and social security, the commune level is the closest to citizens and thus should be assigned tasks such as identifying policy beneficiaries, receiving dossiers, organizing payments or coordinating payments, tracking changes in poor and near-poor households, meritorious persons, the elderly, children, persons with disabilities, and other vulnerable groups. The provincial level should issue unified guidance, ensure resources, inspect implementation, and connect social security data. Coordination mechanisms must ensure policies reach the right beneficiaries on time, reduce repetitive paperwork, and prevent citizens from having to prove the same information multiple times.

#### ***4.6. Competences in security, order, and handling violations***

Security and order are special because they involve the organization of armed forces, investigative agencies, handling of administrative violations, and coordination for social safety. The 2015 Law on Organization of Criminal Investigation Agencies and related documents regulate the competences of investigative bodies, law enforcement forces, and coordination responsibilities (National Assembly, 2015c). In the two-tier model, it is necessary to ensure no gaps in receiving reports, handling cases, patrol and control, crime prevention and combat, and grassroots security protection.

The commune level plays a very important role in grasping the local situation, receiving feedback, mediation, residence management, public order management, on-site fire prevention and fighting, and coordinating in resolving grassroots conflicts. The provincial level must ensure unified direction, professional support, handling of complicated cases, building security and order databases, and coordinating forces when needed. For handling administrative violations in land, construction, environment, food safety, and urban order, it is necessary to clearly define the competence to make records, issue sanctioning decisions, enforce coercive measures, and the responsibility to coordinate.

### **5. Coordination Mechanisms between Provincial and Commune Levels in the Two-Tier Model**

#### ***5.1. One-stop-shop and integrated one-stop-shop mechanisms***

The one-stop-shop and integrated one-stop-shop mechanisms are important tools to ensure citizens and businesses do not have to navigate multiple administrative agencies themselves. Decree No. 61/2018/ND-CP provides for implementing one-stop-shop and integrated one-stop-shop mechanisms in handling administrative procedures; Decree No. 107/2021/ND-CP amends and supplements certain provisions of Decree No. 61/2018/ND-CP (Government, 2018, 2021b). In the two-tier model, this mechanism needs to be redesigned so that the commune level is the citizen-proximate reception point, while the provincial level is the professional processing center for procedures beyond commune competence.

An effective integrated process needs the following elements. First, citizens can submit dossiers at the commune level or via the online public service portal. Second, dossiers are digitized and transferred to provincial specialized agencies if within provincial competence. Third, the commune level is responsible for supplementing field information, verifying data, or coordinating inspections when requested. Fourth, results are returned to citizens via the registered channel, which may be at the commune, via public postal services, or electronically. Fifth, the entire process must be tracked by dossier code, processing deadlines, and responsibilities of individuals and agencies.

The integrated one-stop-shop mechanism is effective only if administrative procedures are standardized. If each provincial department issues its own process, requires different dossier components, or asks communes to certify

many contents without clear legal bases, communes will become a “paper-collection” stage rather than a service point. Therefore, administrative procedure reform must go together with reform of decentralization.

### ***5.2. Mechanisms for handling administrative procedures in an electronic environment***

Decree No. 45/2020/ND-CP provides for carrying out administrative procedures in the electronic environment (Government, 2020). The Master Program on State Administrative Reform for 2021–2030 also sets out the requirement to modernize the administration, enhance IT application, and build e-government and digital government (Government, 2021a). Decision No. 749/QĐ-TTg approving the National Digital Transformation Program to 2025, with orientation to 2030, identifies digital transformation as an important driver for renewing national governance (Prime Minister, 2020).

In the two-tier model, digital transformation is not merely a technical tool but an organizational condition. Without the district level as an intermediate tier, the province must be able to manage, support, and supervise directly hundreds of commune-level units. This cannot be done effectively through paper documents and manual reports. It is necessary to build shared databases on population, land, businesses, civil status, social security, education, health, budget, and public investment. These databases must be interconnected, regularly updated, and have appropriate access control.

In particular, the commune level must be equipped with sufficient digital infrastructure to operate. If software is built only at the provincial level without ensuring transmission lines, equipment, digital skills, and operating personnel at the commune level, digital transformation will create additional burdens on the grassroots. Therefore, investment in digital transformation should prioritize remote, mountainous, border, island, and disadvantaged areas.

### ***5.3. Delegation mechanisms, professional guidance, and specialized support***

In the two-tier model, not every task can be devolved to the commune level immediately. Some tasks should be carried out through conditional delegation. For example, the province may delegate to qualified urban wards/communes to handle simple construction procedures; delegate to communes to carry out certain social security procedures or certify factual conditions; delegate to communes to participate in initial steps of land registration processes. However, delegation must be in writing, with clear scope, duration, conditions, responsibilities, and inspection mechanisms.

The provincial level needs to issue unified professional processes for each field. Processes must specify forms, dossier components, processing times, coordination responsibilities, and storage methods. Communes cannot perform well if each department provides different guidance or changes frequently without training. Therefore, there should be a unified professional guidance portal, a professional support hotline, an online Q&A system, and a mechanism to promptly update documents.

In addition, specialized regional support teams should be organized under the province to serve multiple communes. These teams can support land, construction, finance, information technology, legal affairs, field inspections, or handling complicated dossiers. This model does not create a new intermediate tier of government, but helps address specialized capacity gaps between the province and the commune.

### ***5.4. Resource coordination mechanisms***

When the district level no longer exists, the province must directly coordinate resources to communes. This requires a transparent allocation mechanism based on criteria and data. Criteria may include population size, natural area, urbanization level, volume of administrative dossiers, degree of difficulty, infrastructure investment needs, proportion of policy beneficiaries, transport conditions, and capacity for budget self-balancing.

Resource coordination must also ensure inter-communal connectivity. Many works or services cannot be organized within a single commune, such as waste treatment, water supply, drainage, inter-communal transportation, schools, health facilities, and cultural–sports centers. The province must play a coordinating role to avoid fragmented, duplicative, or disconnected investments by individual communes. Communes are responsible for reflecting actual needs, participating in investment supervision, and mobilizing community participation.

### ***5.5. Oversight, evaluation, and accountability mechanisms***

Oversight mechanisms in the two-tier model must be strengthened because the district level no longer exists as a frequent inspection layer. Oversight includes oversight by People's Councils, inspection by provincial People's Committees, specialized inspections, auditing, oversight by the Fatherland Front and mass organizations, and citizens' oversight. Communes must disclose budgets, plans, investment plans, administrative procedures, dossier-handling results, citizens' contributions, and policy implementation results.

A set of indicators to evaluate commune-level performance in the two-tier model should be built. Indicators may include dossier processing time, on-time dossier rate, citizen satisfaction, budget transparency, data update quality, number of arising complaints, results of social security implementation, level of online public service use, and capacity to coordinate with provincial agencies. Evaluation should serve governance improvement, not only formal ranking.

Another important content is a mechanism for resolving competence disputes. When there is disagreement between the provincial and commune levels on who has competence, the law must clearly specify the body authorized to conclude. Otherwise, citizens' dossiers may be stalled due to agencies shifting responsibility. The dispute resolution mechanism must be fast, public, and linked to individual responsibility.

## **6. Potential Shortcomings and Causes**

### ***6.1. Legal shortcomings***

The first shortcoming is the risk of legal inconsistency. The Law on Organization of Local Government may be adjusted to fit the two-tier model, but if specialized laws still retain district-level competences, implementation will face obstacles. Fields prone to problems include land, construction, public investment, budget, education, health, handling administrative violations, inspection, complaints and denunciations, and management of cadres and civil servants.

The second shortcoming is the risk of unclear boundaries among devolution, decentralization, and delegation. If documents only generally state “transfer district-level tasks to the province or commune” without specifying which tasks go to which level, legal responsibility will be unclear. Communes may not dare decide for fear of exceeding authority; provinces may be overloaded because they must handle even small matters; citizens may not know where to submit dossiers.

### ***6.2. Commune-level capacity shortcomings***

The commune level is the closest to citizens but also the level with the most limited resources. When taking on additional tasks from the intermediate tier, communes may face pressures in staffing, expertise, facilities, and technology. Tasks such as land management, construction, finance, public investment, complaint and denunciation settlement, and handling administrative violations require high legal and technical competence. Without regular training and support, communes will struggle to meet requirements.

Differences among communes, wards, and townships are also a major issue. Urban wards have different infrastructure, human resources, and workload compared to rural, mountainous, or island communes. If the same level of authority is applied to all, capable areas may be constrained while less capable areas may be overloaded.

### **6.3. Coordination and data shortcomings**

The two-tier model operates effectively only when data is shared and interoperable. If provinces and communes use different software, databases are not connected, electronic dossiers lack full legal validity, or officials still must print paper dossiers for signatures, reform effectiveness will be limited. Lack of shared data also increases the risk that citizens will be required to resubmit information that the state already has.

Moreover, without the district level, the province must directly grasp the grassroots situation. Without an online monitoring system, real-time reporting, and feedback channels from communes, the province may not detect emerging problems in time. Conversely, communes without quick professional support channels will be confused when handling complicated dossiers.

### **6.4. Causes of shortcomings**

The first cause is that the current legal model was designed in the context of multiple local government tiers. Moving to the two-tier model is a major reform that requires synchronized adjustments in institutions, organization, finance, personnel, and technology.

The second cause is the long-standing habit of managing through an intermediate tier. Many administrative processes, information flows, reporting regimes, and ways of handling work were designed around the district's role. When the intermediate tier is removed, if processes are not redesigned, the apparatus may operate in the old way under a new form.

The third cause is uneven digital transformation capacity. Digital transformation can help the two-tier model operate smoothly, but if infrastructure, data, and digital skills are not synchronized, governance gaps among areas may increase.

The fourth cause is that financial mechanisms are not tightly linked to tasks. Devolution without corresponding resource allocation will lead to superficial reform. Therefore, budget design is a key condition for the two-tier model.

## **7. Solutions to Improve Competence Delineation and Coordination Mechanisms**

### **7.1. Completing a synchronized legal framework**

First, the Law on Organization of Local Government should be amended and supplemented to clearly provide for the two-tier local government model, principles for delineating competences between the provincial and commune levels, mechanisms for devolution, decentralization, delegation, inspection and supervision, and accountability. The law must clearly identify groups of tasks belonging to the province, groups belonging to communes, groups requiring coordination, and groups eligible for conditional delegation.

At the same time, specialized laws should be reviewed to remove or adjust provisions that are no longer suitable when the district level is not organized as a tier of local government. Laws that should be prioritized include the 2024 Land Law, the Construction Law, the State Budget Law, the Public Investment Law, the Education Law, the Law on Medical Examination and Treatment, the Law on Officials and Civil Servants, and documents on handling administrative violations, inspection, complaints, and denunciations.

In addition to laws, decrees or resolutions guiding transitional arrangements should be issued. The transition period is a period when competence gaps easily arise. Therefore, transitional documents must clearly specify which agency continues to handle dossiers currently in process, how assets and budgets are transferred, how district-level officials

are arranged, to whom data is handed over, and how seals, accounts, archived dossiers, and outstanding legal obligations are handled.

### ***7.2. Designing a competence matrix by sector and level of complexity***

Instead of transferring tasks mechanically, a competence matrix should be built by sector and complexity. In each sector, tasks should be divided into three levels: simple, medium, and complex. The commune level can handle simple, frequent tasks linked to factual verification and on-site citizen service. The provincial level handles complex tasks with major impacts or requiring deep expertise. Medium tasks can be carried out through conditional delegation or integrated coordination.

For example, in construction, communes can receive dossiers, inspect existing conditions, detect violations of construction order, and handle initial steps. The province appraises plans, issues permits for complex works, and handles violations beyond commune authority. In land, communes verify origin and current conditions, manage public-utility land, and mediate disputes; the province decides matters with major legal impacts and manages the land database.

### ***7.3. Enhancing commune-level capacity***

Enhancing commune-level capacity is vital to the two-tier model. A specialized training and refresher program should be implemented for commune-level cadres and civil servants on land law, construction law, finance–budgeting, public investment, citizen reception skills, complaint and denunciation settlement, digital skills, and public service ethics. Training must be tied to job positions and real situations, not only theory.

Commune-level staffing structure should be adjusted toward increasing professional capacity and reducing unreasonable multitasking. Communes/wards with large workloads should be assigned additional personnel or supported by provincial specialized task forces. For disadvantaged communes, policies are needed to attract, rotate, and second capable officials, while also supporting allowances, working conditions, and digital infrastructure.

### ***7.4. Accelerating digital transformation and building shared data***

Digital transformation should be viewed as the operating foundation of the two-tier model. Shared databases between provinces and communes must be built, especially in population, land, business, civil status, social security, education, health, budget, and public investment. Data must be updated in real time or near real time, with access control and information security.

The public service portal and the electronic one-stop-shop system must be designed so that citizens provide information only once. Communes need tools to search, receive, digitize, and track dossiers. Provinces need dashboards to track dossier processing progress, overdue status, workload volume by commune, and process bottlenecks. Digital transformation should not only serve internal management but also increase transparency and accountability to citizens.

### ***7.5. Ensuring financial resources for communes***

The budget mechanism should be redesigned according to the principle “tasks must come with resources.” Communes assigned additional tasks must receive corresponding funding. Budget allocation should be based on a transparent formula accounting for population, area, geographic conditions, difficulty level, dossier volume, number of policy beneficiaries, and assigned tasks. Disadvantaged communes need balancing support so they are not left behind in access to public services.

In addition to the state budget, mobilization of social resources for appropriate public services should be encouraged, but must ensure transparency, voluntariness, legal compliance, and avoid creating unreasonable burdens on citizens. Communes also need guidance on financial management, accounting, public procurement, final settlement, and budget disclosure.

### ***7.6. Strengthening oversight and accountability***

A multi-layer oversight mechanism should be built without creating additional administrative layers. People's Councils, provincial People's Committees, specialized agencies, the Fatherland Front, socio-political organizations, and citizens must all have channels to oversee commune operations. Communes must disclose administrative procedures, budgets, plans, investment plans, dossier-handling results, and policy implementation results.

Clear responsibility must be assigned to the heads of communes and heads of provincial specialized agencies in each integrated process. When a dossier is delayed, it must be possible to identify at which step it was delayed and which agency and individual caused it. Accountability must be linked to evaluation of cadres and civil servants, emulation and rewards, and disciplinary handling.

### ***7.7. Implementing in phases and evaluating regularly***

The two-tier model is a major reform and should not be rolled out uniformly before legal, human, financial, and technological conditions are fully in place. A transition roadmap is needed with a preparation phase, a trial operation phase, an evaluation phase, and an adjustment phase. In each phase, tasks to be transferred, responsible agencies, guaranteed resources, and evaluation criteria must be clearly identified.

Evaluation must be evidence-based, not only based on administrative reports. Criteria should include procedure processing time, compliance costs for citizens, satisfaction level, on-time dossier rate, public service accessibility, budget efficiency, transparency level, and number of complaints and reflections arising. Only with objective evaluation data can the two-tier model be sustainably improved.

## **8. Conclusion**

The two-tier local government model is an important reform direction as Vietnam continues to streamline the apparatus, improve the effectiveness and efficiency of state management, and enhance the quality of services for citizens. However, the effectiveness of this model does not depend on how many intermediate units are reduced, but mainly on how competences are delineated, resources are allocated, and coordination mechanisms between provincial and commune levels are designed.

The provincial level must retain a strategic, coordinating, specialized management, resource allocation, and inspection/supervision role. The commune level must be vested with appropriate authority over citizen-proximate, frequent tasks that directly affect community life. Complex fields such as land, construction, budget, public investment, education, health, and security and order must be designed with coordination mechanisms, conditional delegation, and integrated specialized support.

For the two-tier model to operate effectively, it is necessary to complete a synchronized legal framework, review specialized laws, design a competence matrix, enhance commune-level capacity, ensure financial resources, accelerate digital transformation, and strengthen accountability. In particular, digital transformation should not be viewed as a supplementary solution; in the two-tier model, data and electronic processes are foundational conditions enabling provinces to manage, support, and supervise communes directly without re-establishing an intermediate layer.

In summary, competence delineation and coordination mechanisms are the two pillars determining the success of the two-tier local government model. If designed correctly, this model can contribute to building a streamlined, transparent, citizen-centered, and more effective administration. If designed inconsistently, it may lead to overload at the grassroots, excessive centralization at the provincial level, and reduced service quality for citizens. Therefore,

reform toward the two-tier local government model should be implemented cautiously, with a clear roadmap, evidence-based evaluation, and with citizens placed at the center of local governance.

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