



# **Modernizing the Treasury services through dematerialization and digitalization**

## ***Experience of the State Treasury of Vietnam***

*Hanoi, March, 2018*

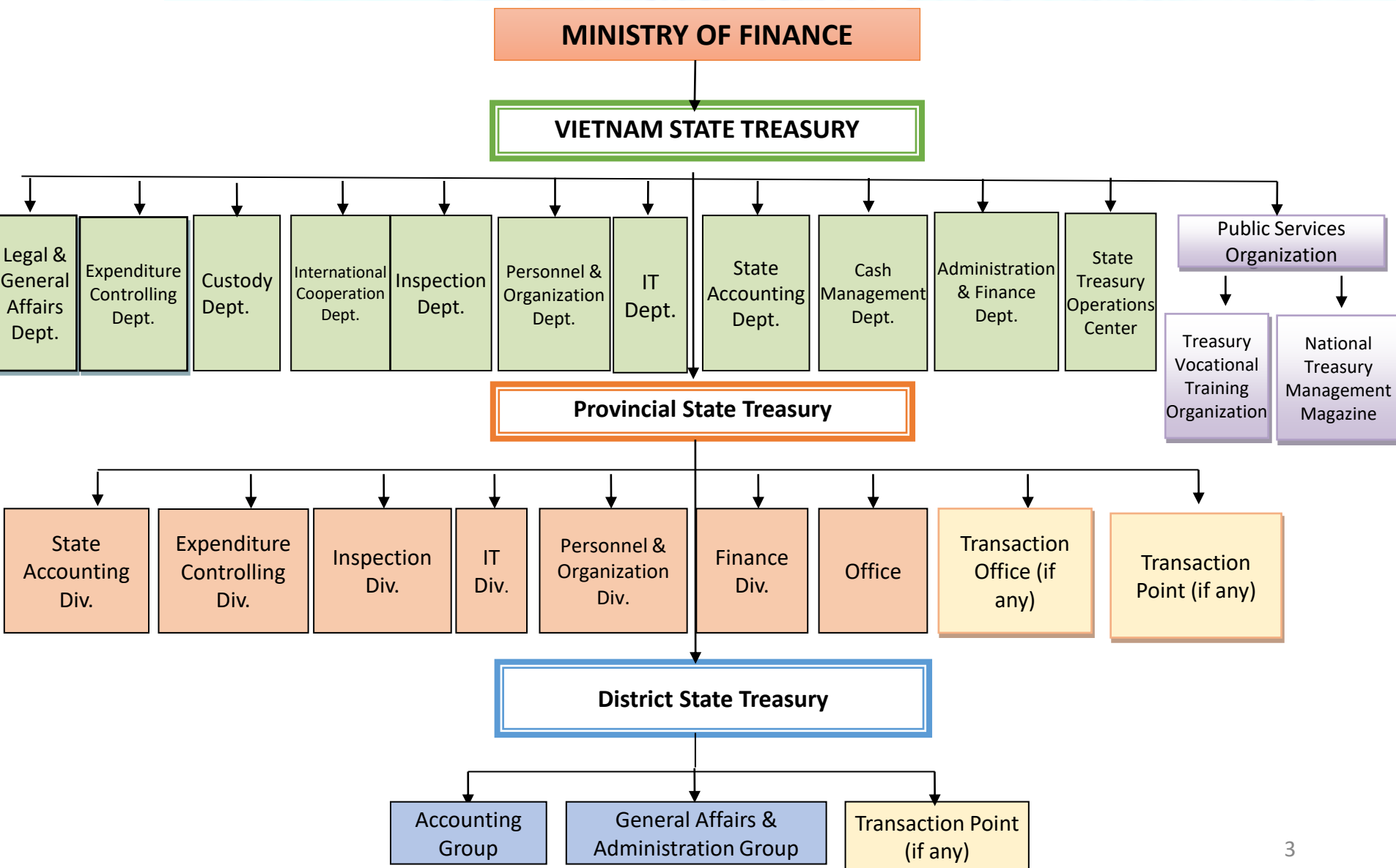


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- I. Overview of the State Treasury of Vietnam (VST)
- II. VST's digitalized business processes
- III. Experience and lessons learnt from implementing the dematerialization in the information system of VST



# ORGANIZATIONAL STRUCTURE STATE TREASURY OF VIETNAM





# FUNCTIONS AND DUTIES STATE TREASURY OF VIETNAM



National Assembly



Government



Ministry of Finance



State Audit



Local government,  
Provincial Finance  
Department and  
District Finance  
Office

State budget  
management; state  
funds management

State Cash  
Management

State Accounting  
Management

Capital mobilization  
(Government bonds)



Tax Authorities



Customs Office



Agencies  
handling  
punishment of  
administrative  
procedure  
violations



Ministries/ Central  
Agencies



Banking system



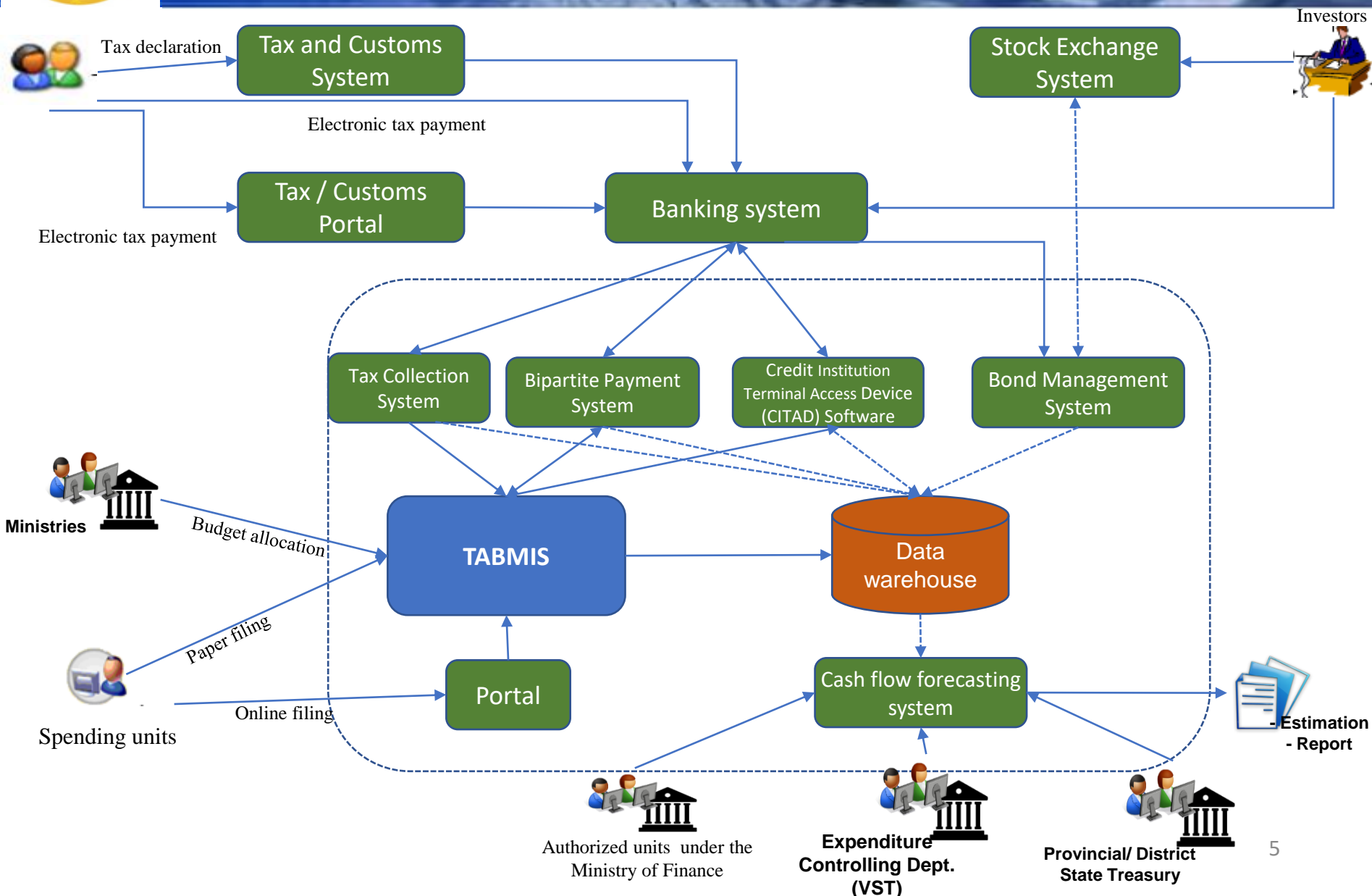
Spending units



Tax payers  
(Organizations, individuals)

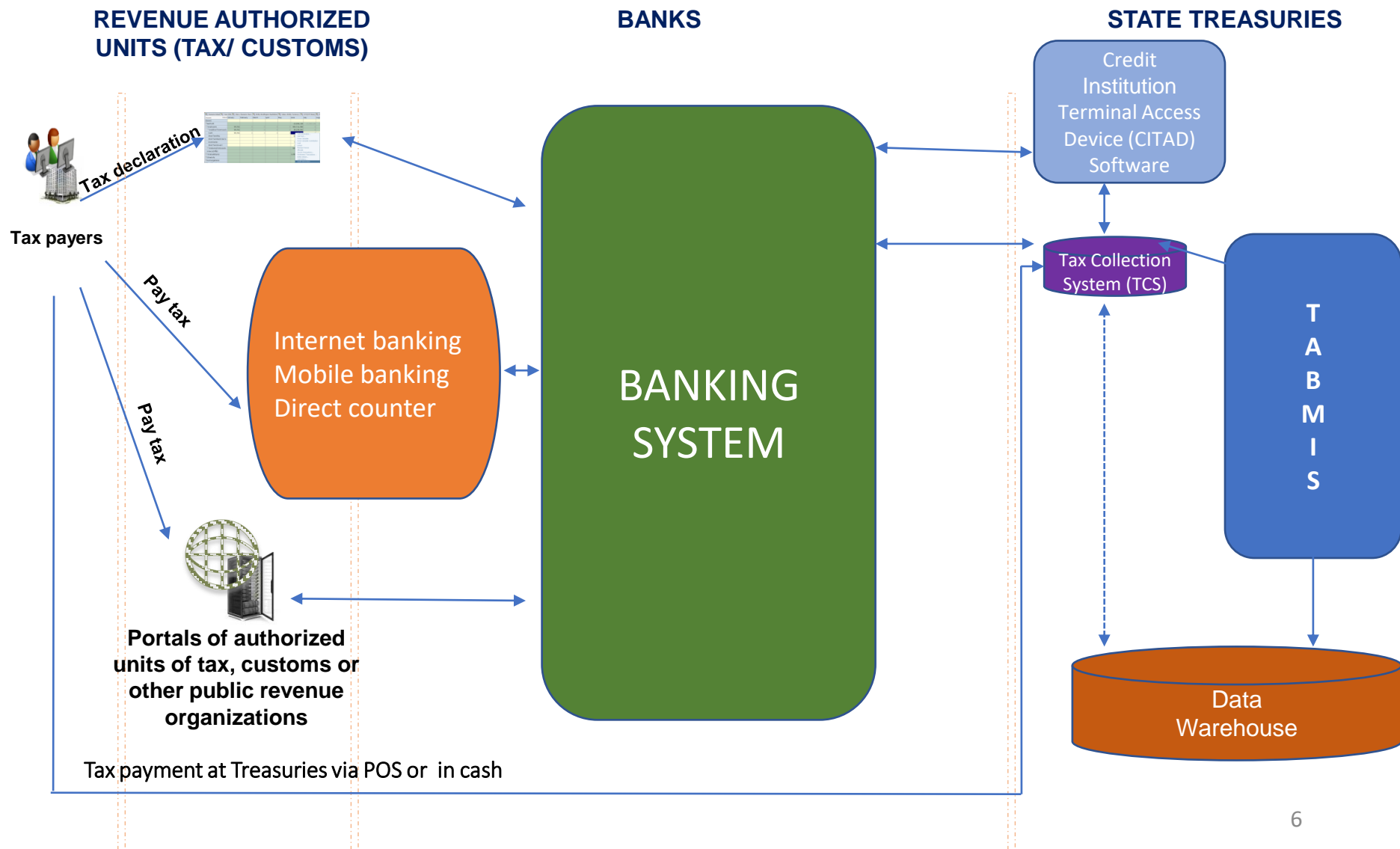


# MODEL OF DIGITALIZED INFORMATION FLOW





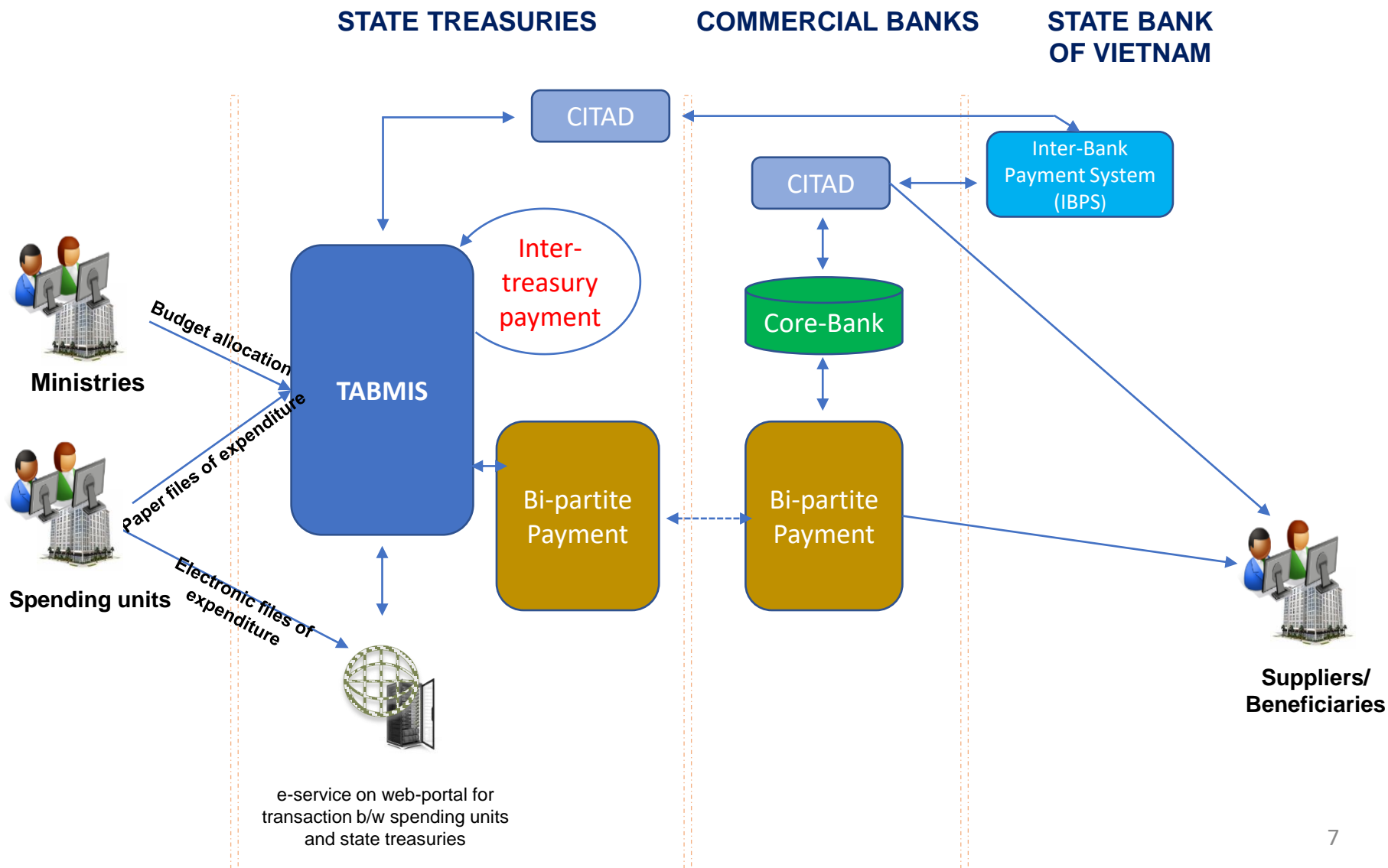
# DIGITALIZE THE CHANEL OF STATE BUDGET REVENUES







# DIGITALIZE THE CHANEL OF STATE BUDGET EXPENDITURE





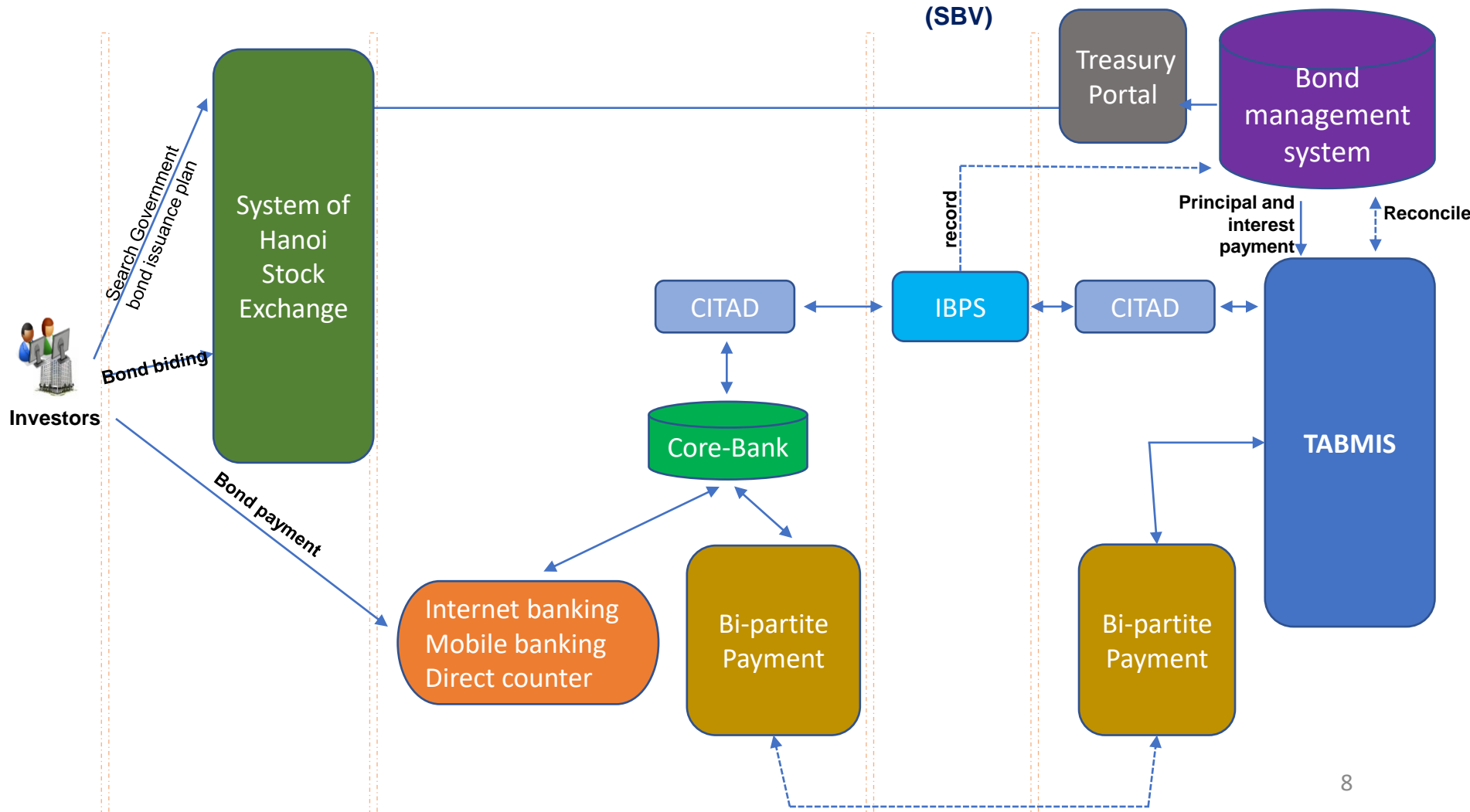
# DIGITALIZE THE PROCEDURE OF GOVERNMENT BOND ISSUANCE/ PAYMENT

HANOI STOCK EXCHANGE

COMMERCIAL BANKS

STATE BANK OF VIETNAM (SBV)

STATE TREASURIES

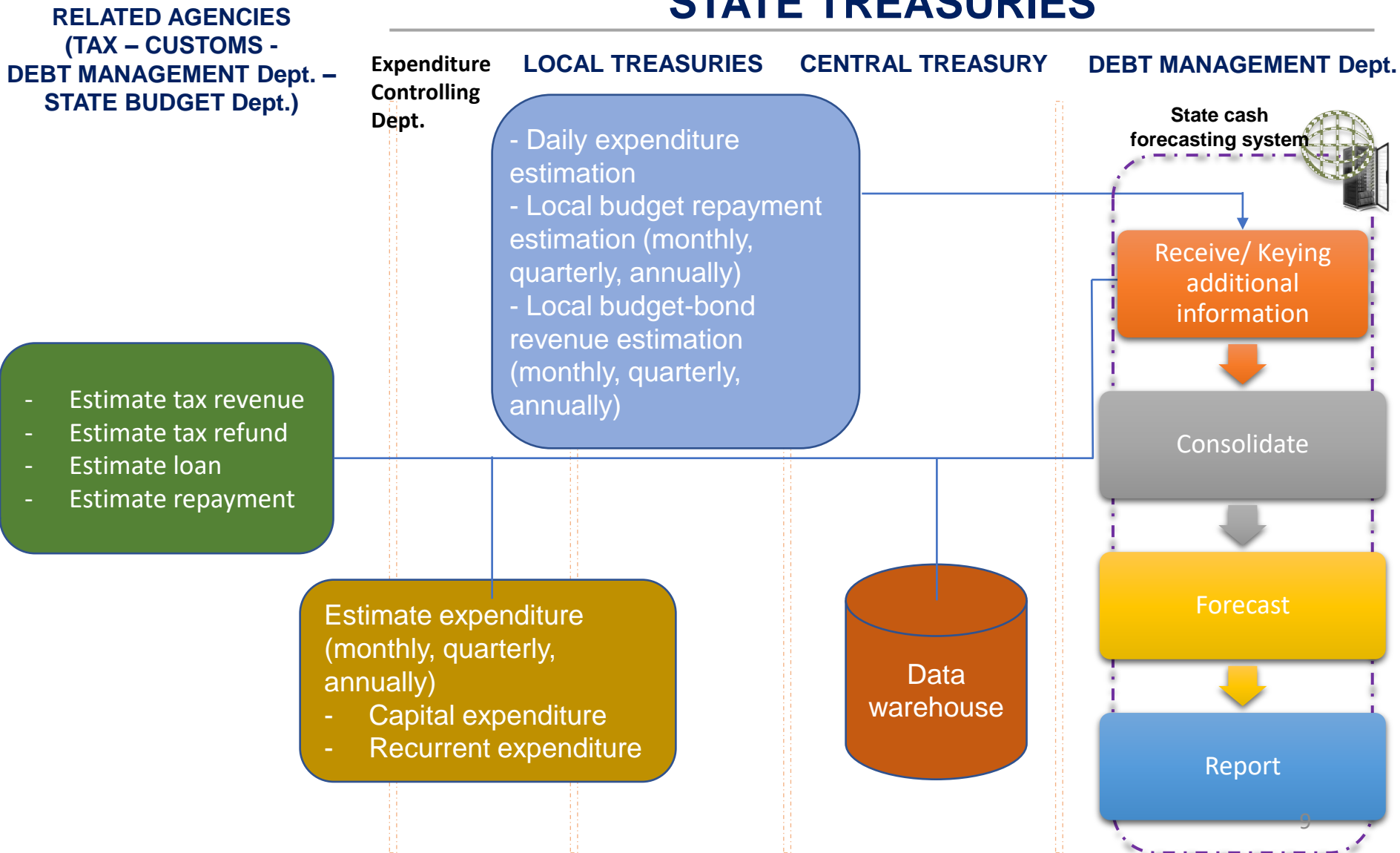






# DIGITALIZE THE PROCEDURE OF STATE CASH FORECASTING

## STATE TREASURIES



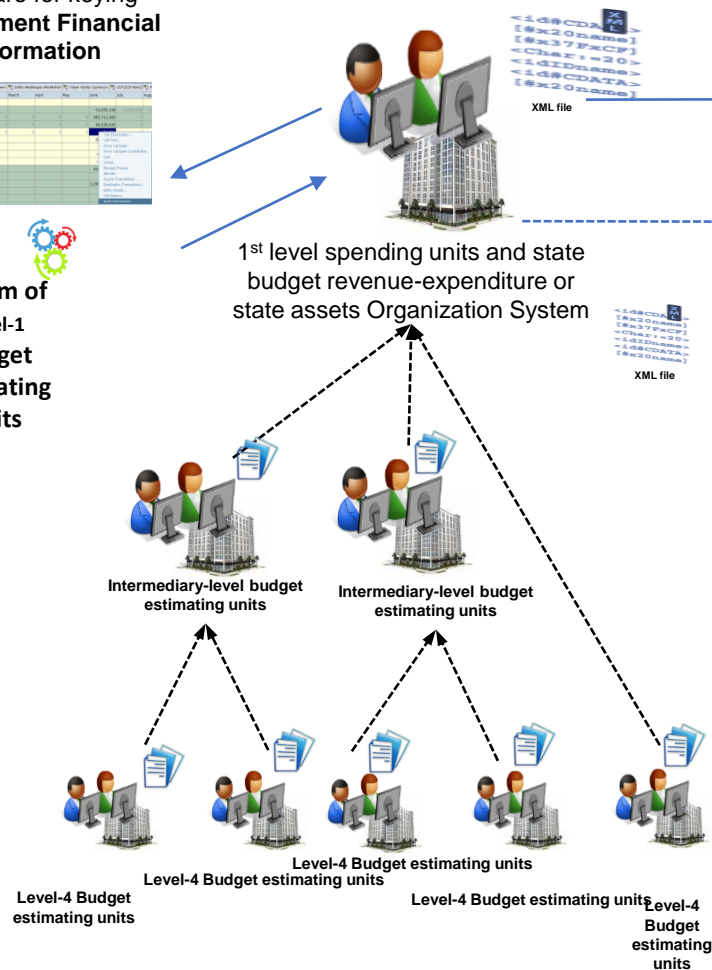


# DIGITALIZE THE CHANEL OF GOVERNMENT FINANCIAL STATEMENTS

## ORGANIZATIONS SEND THE REPORT AND PROVIDE THE FINANCIAL INFORMATION

Software for keying  
Government Financial  
Information

System of  
Level-1  
Budget  
Estimating  
Units



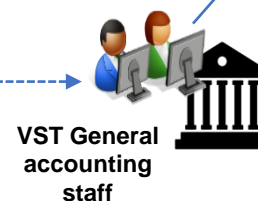
## STATE TREASURY – GENERAL ACCOUNTING



Government Financial  
Information Portal  
(General Accounting  
System – Front-End)



General  
Accounting  
Operation  
Software (General  
Accounting  
System – Back-  
End)



VST General  
accounting  
staff



Government  
Financial  
Statements



## EXPERIENCE AND LESSONS LEARNT FROM IMPLEMENTING DEMATERIALIZATION IN THE INFORMATION SYSTEM

- A pre-feasibility study:
  - Policies, business: scope of policies, scope of business involved; direction of completing policies and business involved.
  - Technology: providing ability analysis and POC (prove of concept).
  - Resources: human resources, finance resources
  - Similar experience and models for reference (if any)
- Design analysis phase:
  - Need to discuss and clearly define the «to-be» process
  - Participating in the analysis phase requires the experts in the field of required operation who have outstanding knowledge and innovation-minded ideas



## EXPERIENCE AND LESSONS LEARNT FROM IMPLEMENTING DEMATERIALIZATION IN THE INFORMATION SYSTEM

- Design analysis phase:
  - The technology group of the developers should take part in analyzing policies and business processes; being the liaison partner between the business staffs and contractors.
  - Define the issues in reforming policies and business processes.
  - The premise for running the system is to legalize the reformation of policies and to-be business processes.
- System development phase:
  - The technology group of the developers needs to be trained with state-of-the-art technology of building the system before kick-off the system development.
  - Participate in the process of developing the system in order to early understand the system.



## EXPERIENCE AND LESSONS LEARNT FROM IMPLEMENTING DEMATERIALIZATION IN THE INFORMATION SYSTEM

- Testing phase
  - The contractors do the integrated testing. The project owner does the User Acceptance (UAT).
  - Manpower must be involved in the testing: (i) whoever involved in policies and to-be business process in early phases; (ii) adding staffs who are professional at their roles in the new designed system.
  - Build the test case and test data to cover all the aspects of business processes of the system.
  - After UAT, there must be a regression test.
  - Need to pilot the system in a smaller scale with the sufficient procedure of a finished-system before the official roll-out.



## EXPERIENCE AND LESSONS LEARNT FROM IMPLEMENTING DEMATERIALIZATION IN THE INFORMATION SYSTEM

- Roll-out phase
  - Propaganda about changes should be communicated to related org and people before any implementation
  - Roll-out approach: big-bang or batch-approach
  - Contractors' manpower is only one side of the coin
  - Quickly cut over to new system rather than parallel-using both legacy and new systems.