

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Viet Nam	Project Title:	Energy Efficiency for Ho Chi Minh City Water Supply Project
Lending/Financing Modality:	Grant Investment Component	Department/Division:	Southeast Asia / Urban and Water

<p>I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY</p> <p>Targeting classification: general intervention</p> <p>A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy</p> <p>The Viet Nam country strategy and program 2007–2010 and country partnership strategy 2012–2015 is aligned with the Government of Viet Nam’s draft socio-economic development plan, 2011–2015, and envisages helping the government devolve more responsibilities to the provinces, make cost-recovery a core principle in all water supply schemes, and sustain equitable economic growth to achieve further reductions in poverty, which has fallen rapidly from 70% in 1990 to 16% in 2009. The government’s strategy for Ho Chi Minh City (HCMC) is to develop water supply infrastructure, improve service levels, and expand services to new urban and peri-urban areas. These measures will ultimately improve quality of life, the working environment, ability to attract investment into the city, and access to services, and will therefore help reduce poverty.</p> <p>B. Results from the Poverty and Social Analysis during PPTA or Due Diligence</p> <p>1. Key poverty and social issues. The project will seek to improve water service delivery and expand coverage in HCMC. One of its significant design features will be construction of a pro-poor pipeline to peri-urban wards characterized by higher poverty rates than the rest of the city. Coverage of poor and moderately poor households and households headed by women in these areas will be 100%, with free connections and lifeline quotas guaranteed by national law. The regular supply of safe drinking water in adequate quantities will serve to improve the economic profile of the project area by giving people access to water for both personal and productive uses, reduce the water fetching and water management burdens of women, and improve overall household health.</p> <p>2. Beneficiaries. In zones 1 and 3, 475,000 households will benefit from improved coverage and service pressure. In zones 3–6, 33,872 households will gain from improved coverage and service pressure, including 13,273 poor households and 6,500 poor households who shared connections previously will get their own connections.</p> <p>3. Impact channels. Coverage of poor and moderately poor households and households headed by women in these areas will be 100%, with free connections and lifeline quotas guaranteed by national law.</p> <p>4. Other social and poverty issues. The regular supply of safe drinking water in adequate quantities will serve to improve the economic profile of the project area by giving people access to water for both personal and productive uses, reduce the water fetching and water management burdens of women, and improve overall household health.</p> <p>5. Design features. The water tariff structure itself will be pro-poor. It will comprise a subsidized “lifeline” of 4 cubic meters (m³) of water per person per month and free connections in order to promote access and the use of the service by vulnerable and disadvantaged groups. A citizen’s report card will be used to measure the performance of this service.</p>
<p>II. PARTICIPATION AND EMPOWERING THE POOR</p> <p>1. Summarize the participatory approaches and the proposed project activities that strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation:</p> <p>While water supply coverage averages 82% in HCMC, some areas have only 60% coverage. Many households without access to the SAWACO supply pay far in excess of the official block tariff, which ranges between D4,000 and D10,000 m³. Tanker supply costs almost double the official tariff. HCMC’s overall poverty rate of almost 12% disguises poverty incidence of more than 50% in some wards and districts. The poor are both long-term residents and migrants to the city. While the project will provide affordable and clean water to all prospective users, such as households, industries, commercial enterprises, and institutions (e.g., public buildings), it will contain specific features that will enable the poor’s access to improved water supply from SAWACO. Following national decree 117/2007 and decree 124/2011, free connections, lifeline quotas, and subsidized tariffs will be principal features enforced for water supply to 100% of poor households and households headed by women within the project area.</p> <p>2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation. Several public consultation meetings were held during project preparation, including four workshops and a town hall meeting on resettlement; willingness to pay and affordability surveys; and a public consultation on water tariffs. Additionally, the Social Assessment entailed seven focus group discussions and a survey of 600 households to obtain detailed information on household water supply, including the types and coverage of sources, problems experienced, household coping strategies, beliefs and attitudes towards water, and willingness to pay for improved services</p> <p>3. Explain how the project ensures adequate participation of civil society organizations in project implementation. NA</p>

<p>4. What forms of civil society organization participation is envisaged during project implementation? The grant investment project is implemented in parallel to L2754-VIE <input checked="" type="checkbox"/> Information gathering and sharing (H) <input checked="" type="checkbox"/> Consultation (H) <input type="checkbox"/> Collaboration (L) <input type="checkbox"/> Partnership (N)</p> <p>5. Will a project level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons particularly the poor and vulnerable? <input checked="" type="checkbox"/> <input type="checkbox"/> Yes. Consultation and participation will be one component of a ward-level, community-based approach to water supply that will include (i) a pro-poor policy, (ii) participatory water services, and (iii) information and communication with consumers. Consultation and participation elements will include consultation with the poor and nongovernment organizations in water services planning and implementation; establishment of community supervision boards with community representation; meetings and consultation events; interactions between SAWACO and community supervision boards; community feedback incorporated into plans, designs, and construction activities; ongoing provision of information and communication that will facilitate long-term consultation and participation; development of a citizen's report card to gauge company performance, safeguarding consumer rights.</p>			
III. GENDER AND DEVELOPMENT			
Gender mainstreaming category: some gender elements			
<p>A. Key issues. Gender assessment found that women play a key role in ensuring water is available at home, collecting and paying for water, and teaching children about water conservation. More women hold positions of department head in SAWACO than in the subsidiaries, but these are often in traditional areas such as finance and administration. The Women's Union is not formally included in any water decision-making body nor routinely consulted by SAWACO. Key gender issues which will be addressed by the project include gender and poverty implications of access to and use of water, women's involvement in water utility agencies and in community-based operation and maintenance and supervision, the collection of gender-disaggregated data to monitor poverty and water supply access, and Information Education Communication materials on water conservation targeted at women.</p>			
<p>B. Key actions. The gender action plan is common to L2754-VIE and advocates (i) the development of a road map for water tariff increase that takes into consideration gender and affordability issues; (ii) 100% coverage of households headed by women by any network extension; (iii) implementation of decree 117/2007 to ensure lifeline tariff and free connections are provided to all households headed by women; (iv) participation of women in community-based operation and maintenance activities; (v) information, education, and communication materials on water conservation and related issues targeting women; (vi) that women act as community facilitators for information, education, and communication; (vii) that 50% of project management unit staff recruited are women and that equal employment and training opportunities are provided to them throughout the project; (viii) improved gender awareness be disseminated through training of all company staff and ward committees; and (ix) the inclusion of a gender-disaggregated database in the project monitoring system.</p> <p><input checked="" type="checkbox"/> Gender action plan <input checked="" type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure</p>			
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES			
<p>A. Involuntary Resettlement Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts. No impact</p> <p>2. Strategy to address the impacts. Safeguard of L2754-VIE under MFF0054-VIE applies to this grant</p> <p>3. Plan or other Actions.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Resettlement plan <input checked="" type="checkbox"/> Resettlement framework (MFF0054-VIE) <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> No action </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Combined resettlement and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework^r <input type="checkbox"/> Social impact matrix^s </td> </tr> </table>		<input type="checkbox"/> Resettlement plan <input checked="" type="checkbox"/> Resettlement framework (MFF0054-VIE) <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> No action	<input type="checkbox"/> Combined resettlement and indigenous peoples plan <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework ^r <input type="checkbox"/> Social impact matrix ^s
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<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts.No impact</p> <p>.. Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>2. Strategy to address the impacts. Safeguard of L2754-VIE under MFF0054-VIE applies to this grant</p> <p>3. Plan or other actions.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Indigenous peoples plan <input checked="" type="checkbox"/> Indigenous peoples planning framework (MFF0054-VIE) <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Social impact matrix <input type="checkbox"/> No action </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Combined resettlement plan and indigenous peoples plan^r <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary </td> </tr> </table>		<input type="checkbox"/> Indigenous peoples plan <input checked="" type="checkbox"/> Indigenous peoples planning framework (MFF0054-VIE) <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> Social impact matrix <input type="checkbox"/> No action	<input type="checkbox"/> Combined resettlement plan and indigenous peoples plan ^r <input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework <input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary
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V. ADDRESSING OTHER SOCIAL RISKS
A. Risks in the Labor Market
1. Relevance of the project for the country's or region's or sector's labor market. . <input type="checkbox"/> unemployment (L) <input type="checkbox"/> underemployment (L) <input type="checkbox"/> retrenchment (L) <input type="checkbox"/> core labor standards (L)
2. Labor market impact. No impact
B. Affordability
It will comprise a subsidized "lifeline" of 4 cubic meters of water per person per month and free connections in order to promote access and the use of the service by vulnerable and disadvantaged groups.
C. Communicable Diseases and Other Social Risks
1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA): <input type="checkbox"/> Communicable diseases (L) <input type="checkbox"/> Human trafficking (L) <input type="checkbox"/> Others (please specify) _____
2. Describe the related risks of the project on people in project area. No risk.
VI. MONITORING AND EVALUATION
1. Targets and indicators: Improve energy efficiency by savings on electricity of \$1.3 million per year and CO ₂ reduction of 18,889 tons per year by 2015 and NRW of 32% by 2015 and 25% by 2020.
2. Required human resources: A monitoring and evaluation consultant is included in the procurement plan for 4 persons month.
3. Information in PAM: The PMU will establish systematic project performance monitoring and evaluation throughout the life of the project and integrate it with management information systems of ADB /L2754-VIE.
4. Monitoring tools: The PMU will ensure that all Goods contracts under the Grant incorporate provision (and sufficient budget) to: (a) comply with all applicable labor laws and related international treaty obligations and do not employ child labor; (b) do not provide differential wages or benefits to men and women for work of equal value; (c) provide basic water and sanitation facilities for men and women at construction sites; and (d) provide safe working conditions for male and female workers.

Sources: Gender analysis and action plan, social assessment, resettlement plan, concept paper.