



## Concept Paper

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Project Number: 47140-002  
July 2016

# Proposed Policy-Based and Project Loans Viet Nam: Second Secondary Education Sector Development Program

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Asian Development Bank

## **CURRENCY EQUIVALENTS**

(as of 4 June 2016)

Currency unit	–	dong (D)
D1.00	=	\$0.000045
\$1.00	=	D22406.45

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
BOET	–	Bureau of Education and Training
CPMU	–	central program management unit
LSE	–	lower secondary education
MOET	–	Ministry of Education and Training
MOF	–	Ministry of Finance
MPI	–	Ministry of Planning and Investment
NAM	–	national achievement monitoring
NER	–	net enrollment rate
NSSM	–	new secondary school models
OECD	–	Organisation for Economic Co-operation and Development
PISA	–	Programme on International Student Assessment
SESDP	–	Secondary Education Sector Development Program
SESDP II	–	Second Secondary Education Sector Development Program
STEM	–	science, technology, engineering, and mathematics
SY	–	school year
TALIS	–	teaching and learning international study
USE	–	upper secondary education

## **NOTES**

- (i) The fiscal year (FY) of the Government of Viet Nam and its agencies ends on 31 December. “FY” before a calendar year denotes the year in which the fiscal year ends, e.g., FY2014 ends on 31 December 2014.
- (ii) The school year (SY) in Viet Nam officially starts in September and ends on 31 May. “SY” before a calendar year range denotes the years in which the school year starts and ends, e.g., SY2014/15 starts in September 2014 and ends on 31 May 2015.
- (iii) In this report, “\$” refers to US dollars.

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## PROGRAM AT A GLANCE

1. Basic Data		Project Number: 47140-002	
Project Name	Second Secondary Education Sector Development Program	Department /Division	SERD/SEHS
Country Borrower	Viet Nam, Socialist Republic of State Bank of Viet Nam	Executing Agency	Ministry of Education and Training
2. Sector	Subsector(s)	ADB Financing (\$ million)	
✓ Education	Education sector development		100.00
		Total	100.00
3. Strategic Agenda	Subcomponents	Climate Change Information	
Inclusive economic growth (IEG)	Pillar 2: Access to economic opportunities, including jobs, made more inclusive	Climate Change impact on the Project	Low
4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional development	Gender equity (GEN)	✓
5. Poverty Targeting		Location Impact	
Project directly targets poverty	Yes	Rural	Medium
Geographic targeting (TI-G)	Yes	Urban	Medium
6. Risk Categorization:	Low		
7. Safeguard Categorization	Environment: C Involuntary Resettlement: C Indigenous Peoples: C		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		100.00	
Sovereign Program loan: Asian Development Fund		50.00	
Sovereign SDP - Project loan: Asian Development Fund		50.00	
Cofinancing		0.00	
None		0.00	
Counterpart		7.00	
Government		7.00	
Total		107.00	
9. Effective Development Cooperation			
Use of country procurement systems		Yes	
Use of country public financial management systems		Yes	

## I. THE PROGRAM

### A. Rationale

1. **Development problems.** Viet Nam has evolved from being one of the world's poorest countries 25 years ago to a lower middle-income country with a per capita income of \$2,252 in 2014.<sup>1</sup> From 1990 to 2007, Viet Nam's annual gross domestic product growth averaged over 7%, while from 2010 to 2014 it averaged 5.8%.<sup>2</sup> The initial heavy reliance on export-led growth, anchored by investment in basic education, yielded the necessary skills to take advantage of low-cost labor and begin the transition to prosperity.

2. Viet Nam now faces a new development challenge, however: low competitiveness and productivity. Viet Nam's competitiveness (ranked globally) fell to 68th in 2014- 2015 from 64th in 2006- 2007.<sup>3</sup> Levels of labor productivity in Viet Nam are low in comparison to other countries in the region. Productivity in Singapore in 2013 was nearly 15 times that in Viet Nam. Viet Nam's productivity was only 20% that of Malaysia and 40% that of Thailand (both are also middle-income members of the Association of Southeast Asian Nations).<sup>4</sup> A shortage of highly skilled workers hampers competitiveness and has become a key impediment to the country's capacity to realize the full benefits associated with rapidly growing investment.<sup>5</sup>

3. **Binding constraints.** To sustain growth, the country needs to transit from low-skilled, labor-intensive activities to activities that generate higher value. The government recognizes the importance of reforming secondary education, which produces both secondary school graduates who immediately enter the labor market and graduates who continue to professional and higher education. Three major constraints need to be addressed: teaching and learning is of poor quality, with limited labor market relevance; access of disadvantaged groups to secondary schooling is inequitable; and secondary education planning, financing and management is of poor quality.

4. **Education quality and relevance.** Although Vietnamese students demonstrated high academic performance in the 2012 Programme of International Student Assessment (PISA),<sup>6</sup> the current system of secondary education does not equip students with the competencies needed by the labor market.<sup>7</sup> A study on the preparation of Vietnamese youth for the market economy finds that general education in Viet Nam has contributed little to the development of cognitive, social, and behavioural skills, which are critical for the labor market.<sup>8</sup> The instructional method in Viet Nam remains didactic and discourages creativity. The country recognizes the value of student-centered teaching methods, but these have only been introduced in selected schools. The government promotes science and technology as essential for industrialization, but only 22% of university students majored in the natural sciences in 2014, far fewer than the number studying humanities and social sciences (about 37%).<sup>9</sup>

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<sup>1</sup> General Statistic Office of Vietnam. [https://www.gso.gov.vn/Default\\_en.aspx?tabid=766](https://www.gso.gov.vn/Default_en.aspx?tabid=766)

<sup>2</sup> General Statistics Office of Vietnam. <http://www.gso.gov.vn/default.aspx?tabid=622&ItemID=14774>

<sup>3</sup> The World Economic Forum ranks nations according to their competitiveness using a global competitiveness index comprised of 12 main variables derived from more than 100 indicators. .

<sup>4</sup> International Labour Organization. 2014. *2013 Labor Force Survey*. Geneva.

<sup>5</sup> Organisation for Economic Co-operation and Development (OECD) and The World Bank. 2014. *Science, Technology and Innovation in Viet Nam*. Paris: OECD.

<sup>6</sup> OECD. 2013. *PISA 2012 Results*. Paris: OECD.

<sup>7</sup> Government of Viet Nam, National Institute of Education Sciences. 2010. *Assessment of Quality of Upper Secondary Curriculum and Textbooks*. Hanoi.

<sup>8</sup> World Bank. 2014. *Skilling Up Vietnam – Preparing the Workforce for a Modern Market Economy*. Washington DC.

<sup>9</sup> UNESCO. Education.

[http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS&popupcustomise=true&lang=en](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS&popupcustomise=true&lang=en)

5. **Inequitable access to secondary education.** About 10% of youth of lower secondary age do not attend lower secondary education (LSE). Out-of-school youth comprise mainly those from poor households, girls from remote areas, ethnic minorities, migrants from rural agricultural areas to urban or peri-urban poor areas, and those with disabilities. In SY2014/15, about .5 million youth of LSE age were not enrolled. At the upper secondary education (USE) level, over 1.5 million young people were not enrolled.<sup>10</sup> While the enrollment rate for girls and ethnic minority youth has greatly improved as a result of government efforts, youth from poor domestic migrant families and disabled youth who have completed primary education are neglected and marginalized.<sup>11</sup>

6. **Poor planning, financing, and management.** Reflecting the importance of education for inclusive sustainable growth, the government increased annual spending on education and training by about 130% from 2009 to 2013.<sup>12</sup> In 2013, education and training expenditure was 15.9% of total annual government expenditures. The government and development partners conduct regular joint reviews of public expenditures, but only for the central government and selected provinces. The budget flow to districts and schools has not been reviewed. There is presently no mechanism for schools to decide how to use financial resources based on different needs and priorities.

7. **Asian Development Bank interventions in secondary education.** The Asian Development Bank (ADB) is a leading development partner in the secondary education subsector, providing eight loans since 1996. All five of the completed projects have been evaluated as successful.<sup>13</sup> ADB's country partnership strategy 2012–2015 prioritized education in its overall program, with three pillars of inclusive growth, enhancing economic efficiency, and environmental sustainability.<sup>14</sup>

8. **Education sector policy framework.** Viet Nam's policy framework for long-term development of education comprises: (i) the Socio-Economic Development Strategy 2011–2020, (ii) the Education Development Strategy (EDS) 2011–2020, (iii) Resolution No. 29 on Comprehensive Innovations in Education and Training, (iv) Resolution No. 44 on Radical Changes in Education and Training to Meet the Requirements of Industrialization and Modernization, and (v) Decision No. 2653 Action Plan for Resolution No. 29.<sup>15</sup>

9. **National policy reform agenda.** The major education sector policy reforms prioritized in the EDS and resolutions 29 and 44 include: (i) upgraded curriculum to meet learner needs and

<sup>10</sup> Government of Viet Nam, Ministry of Education and Training (MOET). 2016. *Education Statistics 2014-2015*. Hanoi.

<sup>11</sup> In 2012 the LSE NER for Kinh was 84.8% compared to 71.7% for ethnic minorities; the rate for boys was 82.7% and for girls 85.2%. The USE NER was 65.3% for Kinh and 37.7% for ethnic minorities; the USE NER for boys was 58.8% and for girls 66.5%.

<sup>12</sup> Data for 2013 were provided by the Government. More recent expenditure data (for 2014) are not available.

<sup>13</sup> ADB. October 2007. *Completion Report Socialist Republic of Viet Nam: Lower Secondary Education Development Project*. Manila. ADB. October 2013. *Completion Report Viet Nam: Upper Secondary Education Development Project*. Manila. ADB. October 2013. *Completion Report Viet Nam: Second Lower Secondary Education Development Project*. Manila. ADB. June 2015. *Completion Report Viet Nam: Upper Secondary and Professional Teacher Development Project*. Manila.

<sup>14</sup> ADB. 2012. *Country Partnership Strategy Viet Nam, 2012–2015*. Manila.

<sup>15</sup> Government of Viet Nam. 2012. *Decision No.711/QĐ-TTg - Decision Approving the Education Development Strategy 2011-2020*. Hanoi: Central Committee of the Communist Party of Viet Nam at the Central Conference XI. 2013. *Resolution No. 29-NQ/TW 8 on Comprehensive Innovations of Education and Training*. Hanoi; Government of Viet Nam. 2014. *N29-NQ/TW - Resolution No. 44/NQ-CP on Radical Changes in Education and Training to Meet Requirements of Industrialization and Modernization in a Socialist-Oriented Market Economy in Course of International Integration*. Hanoi; Government of Viet Nam. 2014 *Decision No: 2653/QĐ-BGDĐT Action Plan of the Education Sector for the Implementation of Resolution No. 29* Approved by the Minister of Education, 25 July 2014. Hanoi.

labor market requirements, (ii) improved competencies in science and technology, (iii) changed teaching and learning methods to encourage creativity and application of knowledge by learners, (iv) decentralized textbooks and learning materials, (v) more comprehensive teacher development and assessment, (vi) better understanding of career options and required workplace skills after graduation from secondary schools, (vii) enhanced autonomy and responsibility of schools, (viii) enhanced support for disadvantaged groups, and (ix) upgraded school infrastructure to meet the national standards.

10. **Secondary Education Sector Development Program achievements.** The Secondary Education Sector Development Program (SESDP) helped the government achieve 10 key secondary education reforms in 2009–2015. Major outputs of SESDP include (i) development of the professional teacher standards and the country's first teacher quality assessment, (ii) improved access and retention of ethnic minority youth to secondary education through improvement of the LSE equivalency program, and (iii) a strengthened learning outcome assessment system for secondary students using international standards through the Programme on International Student Assessment, and a national standard through national achievement monitoring. The program supports continued reforms and expansion of reform actions implemented under SESDP.

## B. Impact, Outcome, and Outputs

11. The expected impact of the proposed program is aligned with Viet Nam's EDS for 2011–2020 and will help improve workforce competitiveness, social equity, and life-long learning opportunities for all secondary school graduates. The outcome will be enhanced learning outcomes and competitiveness of secondary school graduates in Viet Nam. The program's three outputs—improvement of quality and relevance, enhancement of equity of access, and strengthening of education governance—are supported in a complementary fashion by the policy-based loan and the project loan. The preliminary design and monitoring framework is in Appendix 1, the problem tree in Appendix 2, the updated Poverty and Social Analysis in Appendix 3, and an Education Policy Framework of Viet Nam in Appendix 4.

## C. Investment and Financing Plans

12. The indicative total cost of the Second Secondary Education Sector Development Program (SESDP II) is estimated at \$107.0 million (Table 1). ADB will provide \$100.0 million from the Asian Development Fund, with \$7.0 million financed by the government. Potential cofinancing will be explored.<sup>16</sup> The sector development program scheme is the same as that used for SESDP.

**Table 1: Tentative Financing Plan**

Source	Amount (\$ million)	Share of Total (%)
Asian Development Bank (Asian Development Fund)	100.0	93.46
Government of Viet Nam	7.0	6.54
<b>Total</b>	<b>107.0</b>	<b>100.0</b>

Source: Asian Development Bank.

<sup>16</sup> Cofinancing will be discussed with the World Bank and Japan International Cooperation Agency during project preparatory technical assistance.

## D. Indicative Implementation Arrangements

13. **Loan implementation arrangements.** The Ministry of Education and Training (MOET) will be the executing agency; the central project management unit (CPMU) to be established in MOET will be the implementing agency. CPMU staff will need to be approved by ADB.

## II. DUE DILIGENCE REQUIRED

14. The viability, sustainability, and appropriateness of the proposed program design will be technically and financially reviewed. A fiduciary and financial management assessment covering procurement, the anticorruption policy, and legal capacity will be undertaken. The SESDP II is classified as (i) category “C” for the environment and involuntary resettlement, as the project includes no civil works; (ii) category “C” for indigenous people; and (iii) “gender equity as a theme” as indicated in Appendix 3 (updated Poverty and Social Analysis).

## III. PROCESSING PLAN

### A. Risk Categorization

15. The project is considered low risk, meeting all low-risk categorization criteria.<sup>17</sup>

### B. Resource Requirements

16. Estimated internal resource requirements supported by the TA<sup>18</sup> for further processing of the policy-based and project loans include: (i) team leader: 3.5 person-months; (ii) counsel: 2 person-months; (iii) senior social development: 2 person-months; (iv) project analyst: 2 person-months; and (v) administrative assistant in headquarters: 1.5 person-months.

### C. Processing Schedule

17. The proposed processing schedule is in Table 2.

**Table 2: Proposed Processing Schedule**

<b>Milestones</b>	<b>Expected Completion Date</b>
Loan Negotiations	21 September 2016
Board Consideration	29 November 2016
Source: Asian Development Bank staff	

## IV. KEY ISSUES

18. While no major risk is foreseen for the proposed program, local governments may be reluctant to implement proposed reforms, which will entail increased financial and administrative responsibilities. This can be mitigated through intensive policy dialogue and detailed studies that show how responsibilities in the provision of secondary schooling will be divided between central and local governments.

<sup>17</sup> The SESDP II has all the following features for low risk category: (i) a loan amount not exceeding \$200 million for projects (or not exceeding \$50 million for programs); (ii) a sound record of ADB's previous experience in the sector; (iii) reasonable executing agency capacity; and (iv) safeguard categorization other than A.

<sup>18</sup> ADB. 2014. *Technical Assistance to Viet Nam for Second Secondary Education Sector Development Program*. The project preparatory TA was approved on 13 August 2014.

### DESIGN AND MONITORING FRAMEWORK

<b>Impact the Program is aligned with</b> Workforce competitiveness, social equity and life-long learning opportunities for all secondary school graduates are improved (Viet Nam Education Development Strategy 2011–2020) <sup>a</sup>			
<b>Results Chain</b>	<b>Performance Indicators with Targets and Baselines</b>	<b>Data and Reporting</b>	<b>Risks</b>
<b>Outcome</b>  Learning outcomes and competitiveness of secondary school graduates in Viet Nam are enhanced.	By 2022  a. The results of PISA 2018 and 2021 are improved and disaggregated by sex and ethnicity (Baseline: mean average scores – mathematics 511, reading 508, science 528 in 2012) <sup>b</sup>  b. The proportion of male and female youth aged 15–24 that is unemployed decreases by 10% (Baseline: 51.9% unemployed, of which 57.0% were female, in Q3 2014)  c. The percentage of male and female university students that is studying science and technology increases by 5% (baseline: 22.4% in 2014) <sup>c</sup>	a. OECD PISA reports (every 3 years)  b. Ministry of Planning and Investment, General Statistics Office Report on quarterly labor force survey  c. UNESCO Institute for Statistics annual report	Competing local government development demands prevent the maintenance of resource allocations for secondary education
<b>Outputs</b>  1. Quality and relevance improved	By 2021  1a. Nationwide NSSM and STEM implemented in approximately 440 schools (Baseline: 0 in SY2016).  1b. 18,000 more secondary teachers use the NSSM model and 12,000 more USE teachers teach STEM using gender responsive methods (Baseline: NSSM = 45,000; STEM = 0 in SY2016)  1c. 5% more students in NSSM and STEM schools meet acceptable standards on NAM compared to other schools and to performance before becoming NSSM or STEM schools (results disaggregated by sex and ethnicity) (Baseline: mathematics 58.1% in grade 9 in SY2009, and 54.9% in grade 11 in SY2012) <sup>d</sup>  1d. Revised nationwide system of assessment (results disaggregated by sex and ethnicity) used to evaluate 90% of the secondary teachers and principals (Baseline: 0 in SY2016) <sup>e</sup>  1e. 65,000 secondary students receive market-related vocational and career orientation (Baseline: 0 in SY2016)	1a. MOET quarterly program progress reports.  1b. MOET annual evaluation reports from the phased introduction of NSSM and STEM. (disaggregated by sex)  1c. Center of Education Quality Assurance, MOET annual evaluation of student competencies of the new curriculum as measured by grade 9 and 11 NAM results in NSSM/STEM schools and control group schools.  1d. MOET's Department of Teachers and Managers, annual reports from new automated system  1e. MOET annual progress reports disaggregated by sex and ethnicity	Limited gender responsive monitoring and evaluation capacity may limit impact, especially in terms of capturing the qualitative impact on girls and boys (e.g. confidence levels in tackling science and math subjects) and teacher confidence levels and competencies in teaching these topics  Internet connectivity unavailable or inefficient. Students not willing to use the website or not knowledgeable in its use.

	1f. TALIS data on teaching and learning conditions are available to policy makers (Baseline SY2016, Not available)	1f. OECD TALIS report available in 2020.	
2. Equity of access enhanced	<p>By 2021</p> <p>2a. Data will be available on the educational conditions of disadvantaged youth who are domestic migrants. (Baseline: not available in 2017)</p> <p>2b. 15% increase in the number of youth with a disability attending LSE or equivalent, data disaggregated by sex and ethnicity (Baseline: 13,572 in SY 2014)</p>	<p>2a. MOET 2019 report on disadvantaged domestic migrants (disaggregated by sex and ethnicity)</p> <p>2b. Annual MOET Education Statistics Yearbook</p>	Fiscal constraints may limit public investment in education and a shift toward greater socialization of school costs may limit access to poorer families
3. Educational governance strengthened	<p>3a. Public expenditure and budgeting review of secondary education subsector conducted (Baseline: not available in 2017)</p> <p>3b. 80% of provincial and school staff involved in the initial implementation of site-based decision making in selected provinces indicate that they have more autonomy to make decisions (Baseline: 0% in 2017)</p> <p>3c. 70% of NSSM schools, districts, and provinces collect and analyze accountability data by the end of the phased implementation (Baseline: 0% in 2017)</p> <p>3d. National report for Viet Nam from PISA for 2018 and 2021 released within 2 years of the official administration (Baseline: not available in 2017)</p> <p>3e. Data from grade 9 and 11 NAM is available for NSSM and STEM schools, districts and provinces within 3 months of official administration (Baseline: Not available in 2017)</p>	<p>3a. MOET public expenditure report issued in 2019</p> <p>3b. MOET pre- and post-project survey of provincial and school staff disaggregated by sex and level of decision-making authority, and interviews with provincial female and male staff issued in 2021.</p> <p>3c. MOET annual accountability reports for the NSSM schools, districts, and provinces.</p> <p>3d. MOET National report on PISA 2018 and 2021</p> <p>3e. Annual Center of Education Quality Assurance and MOET school, district, and province NAM reports for grades 9 and 11.</p>	Local socioeconomic conditions prevent effective implementation of local autonomy

#### Key Activities with Milestones

##### Output 1. Quality and relevance improved

- 1.1 Start phased implementation of NSSM and STEM by Q3 2018.
- 1.2 Start staff development to meet the requirements of the professional standard by Q3 2018.
- 1.3 Implement materials and novel teaching methods for vocational awareness in selected schools by Q3 2019.

**Output 2. Equity of access enhanced**

- 2.1 Plan and conduct a survey on the educational conditions of migrant youths by Q1 2019.
- 2.2 Digitalize materials and develop video of lesson samples on education for youths with special needs by Q2 2019.

**Output 3: Educational governance strengthened**

- 3.1 Conduct the public expenditure and budgeting review of the central and selected local governments by Q4 2018.
- 3.2 Participate in PISA 2018 and TALIS 2018 in Q2 2018.

**Project management activities**

Establish CPMU by Q3/2016.

Collect baseline data for all indicators in 2017 within 6 months after the loan effectiveness.

Recruit project consultants within 3 months of loan effectiveness.

Organize inception workshop (within 2 months of consultant deployment), mid-term workshop (2019), and final review workshop (2023)

**Inputs**

ADB: \$100.0 million

- A. Policy-based loan (\$ 50 million)
- B. Project loan (\$ 50 million)

Government of Viet Nam: \$7 million

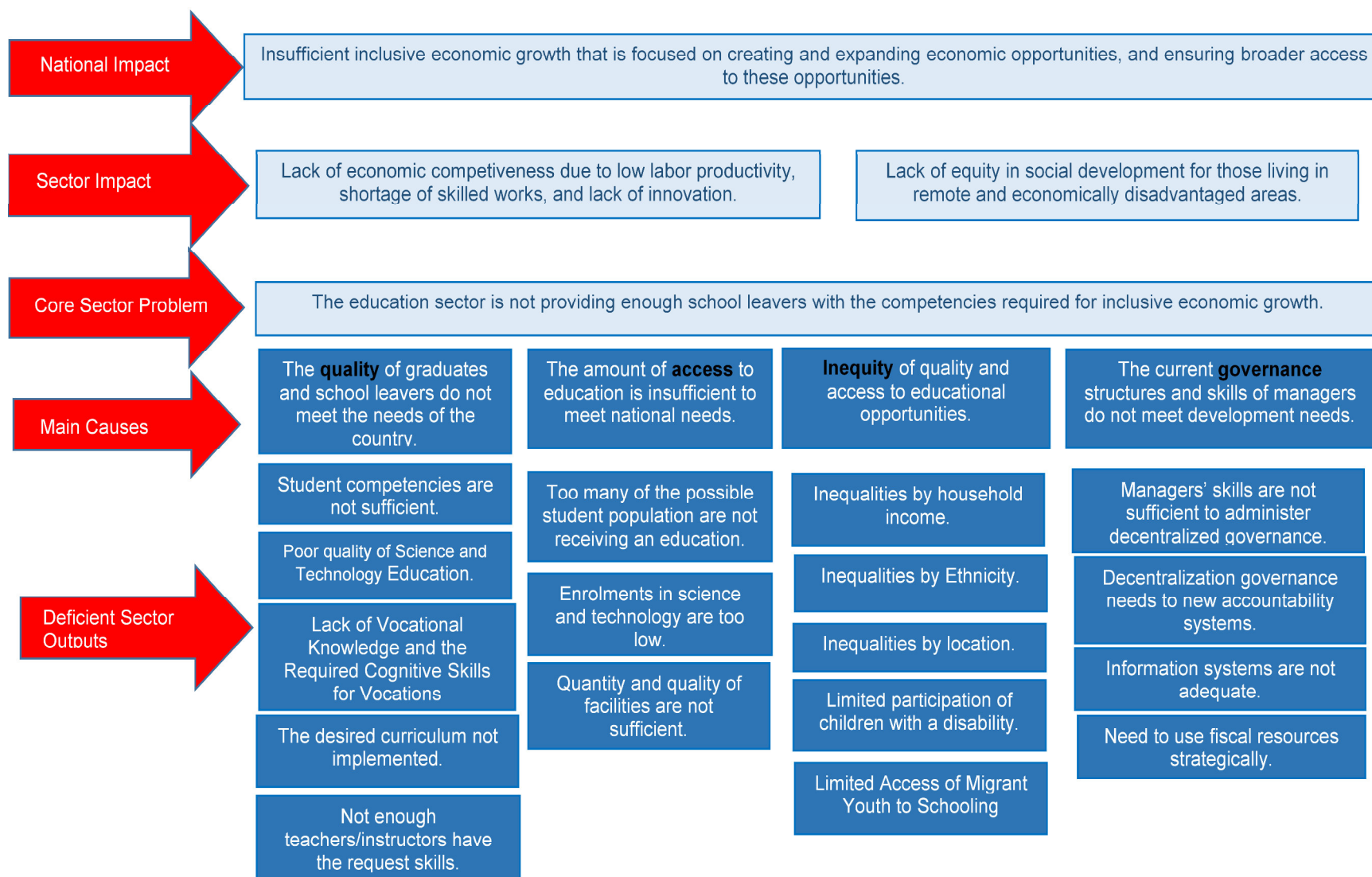
**Assumptions for Partner Financing** Not applicable.

ADB = , CPMU = central project management unit, LSE = lower secondary education, MOET = Ministry of Education and Training, NAM = National Achievement Monitoring, NER = net enrollment rate, NSSM = new secondary school model, OECD = Organization for Economic Cooperation and Development, PISA = Programme for International Student Assessment, STEM = science, technology, engineering, and mathematics , SY = school year, TALIS = Teaching and Learning International Study, USE = upper secondary education.

- <sup>a</sup> The policy framework for long-term development of education is defined and guided by the following key strategies and plans: the Socio-economic Development Strategy 2011-2020 (SEDS) (Approved by the Eleventh Congress of Viet Nam Communist Party), Resolution No. 10/2011/QH13 Socio-economic Development Plan 2011-2015 (SEDP) (Approved at the National Assembly), *Decision No.711/QD-TTg* Education Development Strategy 2011-2020 (EDS), Resolution No. 29-NQ/TW 8 on Comprehensive Innovations of Education and Training (Central Committee of the Communist Party of Viet Nam at the Central Conference), Resolution No. 44/NQ-CP on Radical Changes in Education and Training, and Decision No: 2653/QD-BGDĐT Action Plan of the Education Sector for the Implementation of Resolution No. 29.
- <sup>b</sup> PISA results for 2015 will be available in December 2016 at which time the baseline data will be revised to be 2015. OECD will indicate whether the difference is statistically significant or not using advanced statistical methods. This is a yes or no indicator (improved or not).
- <sup>c</sup> Science and technology fields include the natural sciences and engineering.
- <sup>d</sup> NAM was administered on a 3-year cycle and grades 9 and 11 were administered in different years. The project will support annual administration.
- <sup>e</sup> MOET has just approved new standards for teachers and the project will assist with implementation of the new standards and a new teacher evaluation system .

Source: Asian Development Bank

## PROBLEM TREE



## POVERTY AND SOCIAL ANALYSIS

Country:	Socialist Republic of Viet Nam	Project Title:	Second Secondary Education Sector Development Program (SESDP II)
Lending/Financing Modality:	Sector development program	Department/ Division:	SERD/SEHS

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p><b>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</b></p> <p>The Asian Development Bank (ADB) country partnership strategy 2012–2015 for Viet Nam prioritized the education sector in support of Viet Nam's goal of attaining upper middle-income country status through inclusive growth, enhanced economic efficiency, and environmental sustainability.<sup>a</sup> In the country business operations plan (COBP) 2014–2016, the project preparatory technical assistance (PPTA) of the Second Secondary Education Sector Development (SESDP II) is included in the 2014 TA pipeline and the ensuing loan is included in the lending pipeline for 2016, tentatively for \$100 million to be financed from the Asian Development Fund (ADF).</p>
<p><b>B. Targeting Classification</b></p> <p><input checked="" type="checkbox"/> General Intervention   <input type="checkbox"/> Individual or Household (TI-H)   <input type="checkbox"/> Geographic (TI-G)   <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>The proposed SESDP II will include selected disadvantaged groups as part of expected beneficiaries.</p>
<p><b>C. Poverty and Social Analysis</b></p> <p><b>1. Key issues and potential beneficiaries.</b> The potential primary beneficiaries will be secondary school students, including ethnic minorities, domestic migrants, and girls. Potential constraints and risks are (i) the government's commitment to inclusive social development and economic growth through equitable human resource development may not be sustained; (ii) universal secondary education may not continue to be a priority in the education sector; and (iii) the Ministry of Education and Training (MOET) may not continue to allocate sufficient funding for secondary education, and continuing education at the secondary level. The project will maintain close policy dialogues with and raise the awareness of MOET and relevant stakeholders in order to sustain and reinforce the government commitment to promoting equity in access to and the quality of secondary education.</p> <p><b>2. Impact channels and expected systemic changes.</b> The expected impact of the proposed program is improved educational performance in Viet Nam. The outcome is enhanced efficiency and sustainability, quality, and equity of secondary education in Viet Nam. This will be achieved through policy reforms and investments in (i) improved secondary education and school-level planning, (ii) improved relevance and accountability of secondary education, and (iii) improved access by and retention of disadvantaged groups in secondary education.</p> <p><b>3. Focus of (and resources allocated in) the PPTA or due diligence.</b> The project preparatory technical assistance (TA) will review and assess the performance of the secondary education subsector in Viet Nam and identify challenges that hinder socioeconomic growth. The project preparatory TA will help develop a sector development program suitable for ADB financing in terms of its technical, financial, economic, institutional, and safeguard dimensions, and produce a due diligence report. The poverty and social analysis will be conducted based on detailed analysis and field trips during the project preparatory TA.</p> <p><b>4. Specific analysis for policy-based lending.</b> Currently the lending scheme is the sector development program but the possibility of result-based lending will be explored during the project preparatory TA. A detailed sector or policy review and financial due diligence will be conducted.</p>
II. GENDER AND DEVELOPMENT
<p>1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?</p>

Key gender issues include access to and affordability of secondary schools by girls; lack of gender sensitive and locally relevant curricula and teaching methods; and the lack of qualified female teachers and role models at the lower secondary level. To achieve universal secondary education, it is crucial to identify obstacles to access by girls to secondary schools and propose mitigating measures. The proposed TA will recruit international and national ethnic minority and gender specialists to undertake intensive data collection and analysis of girls' education to identify gender-specific needs.

2. Does the proposed project or program have the potential to make a contribution to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making?

☒ Yes ☐ No

A gender action plan will be prepared building on lessons from the gender action plan of phase I of the SESDP to ensure that gender inclusive design features are included within the various outputs.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

☐ Yes ☒ No

4. Indicate the intended gender mainstreaming category:

☒ GEN (gender equity theme) ☐ EGM (effective gender mainstreaming)  
☐ SGE (some gender elements) ☐ NGE (no gender elements)

### III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.

Department of Planning and Finance, MOET. MOET will be the executing agency and the central project management unit (CPMU) to be established in MOET will be the implementing agency. All CPMU staff will need to be approved by ADB.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded?

One output of SESDP II is to improve access by disadvantaged groups (including ethnic minorities, the rural poor, domestic migrants to urban areas, the physically disabled, and females) to good quality secondary education through provision of targeted supports and system or policy reforms to improve delivery of education to groups that are hard to reach. Intensive dialogue and socioeconomic and educational surveys will be conducted during the project preparatory TA.

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?

☐ Information generation and sharing ☒ Consultation ☐ Collaboration ☐ Partnership

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed? ☐ Yes ☒ No

### IV. SOCIAL SAFEGUARDS

**A. Involuntary Resettlement Category** ☐ A ☐ B ☒ C ☐ FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? ☐ Yes ☒ No

No civil works will be included in the proposed project.
2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? <input type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None
<b>B. Indigenous Peoples Category</b> <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI 1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process? <input type="checkbox"/> Indigenous peoples plan <input checked="" type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None
<b>V. OTHER SOCIAL ISSUES AND RISKS</b>
1. What other social issues and risks should be considered in the project design? - None <input type="checkbox"/> Creating decent jobs and employment <input type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____ 2. How are these additional social issues and risks going to be addressed in the project design? None
<b>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</b>
1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (v) other social risks. Are the relevant specialists identified? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis and participation plan during the PPTA or due diligence? International and national gender and ethnic minority specialists will be in charge of undertaking poverty, social, ethnic and gender assessments related to the sector and preparing a social and poverty analysis with specific recommendations on how to strengthen the social development and gender mainstreaming aspects of the project.

<sup>a</sup> ADB. 2012. *Country Partnership Strategy: Viet Nam, 2012–2015*. Manila.

Source:

## EDUCATION POLICY FRAMEWORK FOR VIET NAM

National Level	<b>1. Socio-Economic Development Strategy 2011–2015<sup>a</sup></b>		
	<b>Overall Direction:</b> A strategic goal of the National Party Congress XI is to develop high quality human resources that concentrates on basic and comprehensive national education system innovations and attaches development of human resource with science and technology development and application.		
	<b>Management and Planning</b>	<b>Quality</b>	<b>Access</b>
	Advocate renovation of Vietnamese education with educational management mechanism renovation and teachers and management staff development as critical points towards standardization, modernization, socialization and internal integration	<p>Improve the quality of teachers and education managers</p> <p>Innovate teaching and learning content, programs and teaching methods at all education levels</p> <p>Prepare for the implementation of a new general education program starting in 2015.</p>	Universalize primary and secondary education with ongoing quality improvement
	<b>2. Education Sector Strategic Development 2011–2020<sup>b</sup></b>		
Sector Level	<b>Overall Direction:</b> A comprehensive reform of the education system that includes a reorientation of standards and upgrading of the quality of education in order to contribute to the industrialization and modernization of the country while ensuring social equity in education and lifelong learning opportunities for each person by 2020.		
	<b>Management and Planning</b>	<b>Quality</b>	<b>Access</b>
	<p>Education management system is outmoded and bureaucratic</p> <p>The education law and policies are inconsistent and fragmented, with the responsibility and authority of different levels of administration not properly designated based on available human and financial resources</p> <p>Policies on mobilization and allocation of resources are inappropriate.</p> <p>Vocational training must be strongly developed with a quantity and structure that is suitable to meet market demand, focusing on vocational training to support industry</p> <p>Vocational training for 60% of the labor force</p> <p>21% of state expenditures directed to education</p> <p>Increased attention to education of gifted students</p>	<p>Develop teaching staff and education managers to improve training, retraining, and training courses to ensure that by 2020 60% of pre-primary teachers, 100% of primary teachers, 88% of lower secondary teachers, and 16.6% of upper secondary teachers meet training standards</p> <p>Improve content, teaching methodologies, examination systems, testing methods, and evaluation methodologies with a focus on renovation of curriculum and textbooks after 2015</p> <p>Enhance teaching and learning methodologies and assessment methods to promote active learning, creativity, and self-study capability among students</p> <p>Improve continuing education quality through diversified programs</p> <p>Ensure secondary students have subject knowledge, lifelong skills, general understanding of science and technology, vocational orientation, and proficiency in foreign languages</p>	<p>99% net enrolment rate in basic education</p> <p>80% rate for USE or its equivalent</p> <p>90% completion rate for primary and secondary education</p> <p>70% schooling participation rate for people with disabilities</p>

3. Secondary Education Sector Master Plan 2011–2015 <sup>c</sup>			
Subsector Level	<b>Overall Direction:</b> The Secondary Education Sector Master Plan 2011–2015 aims to serve as the policy and investment framework for secondary education in order to achieve the following key goals: (i) reform education management; (ii) expand the educational network; (iii) develop better human resources for the education sector; (iv) develop new decentralized- and competency-based curriculum, teaching methods, and academic performance assessment; (v) promote socialization of education and effective use of resources for education development; (vi) increase investment in education facilities; (vii) provide targeted support for disadvantaged regions and learners; and (viii) enhance coordination with international development partners.		
	Management and Planning	Quality	Access
	Promote the decentralization of education management Examine service delivery to assure the effectiveness of education administration Increase autonomy of teacher training institutes Improve capacity in education planning and management Launch a quality control system for secondary education Apply site-based education management Promote ICT applications for education at all administrative levels Publicize education quality and performance and school information more openly Continue to develop the professional standards for teachers, education planners and researchers Try out the new school fee mechanism for some advantaged secondary schools Allocate appropriate funding levels to local governments and schools based on actual needs Ensure LSSs and USSs have school psychological counselors and vocational counselors Foster a teaching labor force by 2015 until the country has enough teachers to provide full-day schooling Strengthen research capacity for development of science and technology Promote private provision of secondary schooling Invest in technical and vocational education	Develop the new curriculum and teacher training system Include new subjects or areas of knowledge in schooling such as life-long skills, ethics, and environmental or disaster-safety education. Ensure 100% of LSE and USE teachers have university degrees Organize more frequent teacher training to meet the requirements and demands Reform the teacher training system in terms of content and methods to help teachers acquire a high level of competency and solid skills Recruit good quality teachers through contracts, rather than providing life-long employment to teachers who lack sufficient teaching skills Help teacher training universities and colleges provide better training to their students Develop an incentive program and system for secondary teachers Conduct a regular national assessment of learning outcomes and publicize the results Ensure an appropriate learning and teaching environment through education planning in terms of teacher/class ratio, teacher/student ratio, and teacher/teacher trainer ratio.	Expand the network of Continuing Education Centers Upgrade the continuing education curriculum to meet the diversified learning demands of disadvantaged groups Apply various forms of financial support to needy students including scholarships, exemption of tuition, and student loans Build more ethnic minority boarding and semi-boarding schools Provide free or discounted textbooks to disadvantaged students Develop the new policies on physically and mentally disadvantaged students

ICT = information and communication technology, LSS = lower secondary school, USS = upper secondary school

<sup>a</sup> Approved at the Eleventh National Congress of the Viet Nam Communist Party.

<sup>b</sup> Ministry of Education and Training, Socialist Republic of Viet Nam. 2012. *Education Sector Strategic Development 2011–2020*. Hanoi.

<sup>c</sup> Ministry of Education and Training. 2012. *Secondary Education Sector Master Plan 2011–2015*. Hanoi (funded by ADB through the Secondary Education Sector Development Program, approved in 2009).

Source: Asian Development Bank staff.