



Technical Assistance Report

Project Number: P47178-002
Policy and Advisory Technical Assistance (PATA)
December 2013

Socialist Republic of Viet Nam: Supporting Microfinance Development

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 12 December 2013)

Currency unit	–	dong (D)
D1.00	=	\$0.000047
\$1.00	=	D21,105

ABBREVIATIONS

ADB	–	Asian Development Bank
MDP	–	Microfinance Development Program
MFI	–	microfinance institution
PCF	–	people's credit fund
SBV	–	State Bank of Vietnam
TA	–	technical assistance
TASF	–	Technical Assistance Special Fund
VBSP	–	Vietnam Bank for Social Policies

TECHNICAL ASSISTANCE CLASSIFICATION

Type	–	Policy and advisory technical assistance (PATA)
Targeting classification	–	General intervention
Sector (subsector)	–	Finance (microfinance)
Themes (subthemes)	–	Economic growth (promoting economic efficiency and enabling business environment); private sector development (policy reforms); capacity development (institutional development, organizational development)
Location (impact)	–	Rural (high), urban (medium), national (high)

NOTE

In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. The policy and advisory technical assistance (TA) was first included in the Asian Development Bank (ADB) country operations business plan for Viet Nam, 2013–2015.¹ The TA will seek inclusive growth by promoting the poor's access to microfinance in line with the country partnership strategy, 2012–2015.² It will support the government in developing a market-oriented microfinance sector through integration into the banking sector, along with the Viet Nam Microfinance Development Strategy, 2011–2020³ and the ongoing ADB Microfinance Development Program (MDP).⁴ It will also identify longer-term sector development issues that can be addressed by future ADB assistance beyond the MDP implementation period.

II. ISSUES

2. The government's national poverty reduction program—focusing on modernizing agriculture, and promoting nonfarm household businesses and small and medium-sized enterprises—has reduced the poverty rate from 58% in 1993 to 10% in 2012. While Viet Nam is poised to achieve many of its Millennium Development Goals by 2015, the lack of access to responsive financial services for poor and low-income household clients remains a major constraint to achieving the goals.

3. **Government commitment to market-oriented sector reform.** Recognizing the vital role of microfinance in poverty reduction, the Viet Nam Microfinance Development Strategy was formulated with ADB assistance.⁵ The strategy reflects the government's commitment to a market-oriented sector reform, with the aim of:

- (i) establishing the legal, policy, regulatory, and supervisory frameworks;
- (ii) strengthening policy formulation and regulatory and supervisory capacity;
- (iii) enhancing the operational capacity of microfinance institutions (MFIs);
- (iv) improving the institutional and financial capacities of the Vietnam Bank for Social Policies (VBSP), and helping implement its development strategy to achieve self-sustaining and market-oriented microfinance operations;
- (v) developing financial infrastructure, including training institutes and a microcredit information bureau; and
- (vi) promoting nationwide financial literacy campaigns.

4. **Microfinance Development Program.** On 5 July 2012, ADB approved the MDP, which includes a \$40 million policy-based loan for subprogram 1 and \$0.5 million attached TA. The program supports government initiatives to develop a market-oriented microfinance sector and improve access to formal financial services for the poor, especially in rural areas. It was formulated to promote fair competition among diverse financial institutions, and to support the private sector's role in microfinance—gradually reducing the government's direct involvement in microfinance operations. To this end, the MDP focuses on four broad areas: (i) policy and

¹ ADB. 2012. *Country Operations Business Plan: Viet Nam, 2013–2015*. Manila. The TA first appeared in the business opportunities section of ADB's website on 16 August 2013. The design and framework is in Appendix 1.

² ADB. 2012. *Country Partnership Strategy: Viet Nam, 2012–2015*. Manila.

³ Prime Minister's Decision No. 2195/2011/QĐ-TTg dated 6 December 2011.

⁴ ADB. 2012. *Report and Recommendation of the President to the Board of Directors: Proposed Programmatic Approach and Policy-Based Loan for Subprogram 1, and Administration of Technical Assistance Grant to the Socialist Republic of Viet Nam for the Microfinance Development Program*. Manila (Loan 2877-VIE and TA 8108-VIE).

⁵ ADB. 2010. *Technical Assistance to the Socialist Republic of Viet Nam for Preparing the Microfinance Sector Development Program*. Manila (TA 7499-VIE).

regulatory reforms; (ii) supervisory capacity building; (iii) operational and institutional development of microfinance-involved financial institutions; and (iv) financial infrastructure development.

5. During the MDP subprogram 2 period (2012–2014), regulations and supervisory norms concerning microfinance have been drafted, while microfinance supervisory capacity is being enhanced under the formulated regulatory framework. Formulating the microfinance regulatory framework will promote private sector development, with a growing number of MFIs applying for a license from the State Bank of Vietnam (SBV), which will help them mobilize savings and strengthen their institutional and operational capacities. The MDP also promotes development coordination with the World Bank and the International Finance Corporation, which provides assistance to emerging licensed MFIs. VBSF is implementing its development strategy to become a self-sustaining financial institution operating on market-based principles. The Cooperative Bank transformed from the Central People’s Credit Fund will strengthen its capacity to serve the member people’s credit funds (PCFs) via a capital increase and training program under the MDP. This is strengthened by development coordination with Agence Française de Développement, providing capacity development support in collaboration with ADB. Financial infrastructure—including formal microfinance training, advocacy of financial literacy on sustainable microfinance and customer protection, and credit information exchange systems—has been developed to support sector performance and development.

6. **Longer-term sector development issues.** Medium-term direction beyond the MDP implementation period was identified and included in the MDP programmatic approach. As reforms in the microfinance sector are ongoing, it is necessary to formulate a refined post-program monitoring framework toward the overarching goal of sector development in the longer term. New recommendations for government actions and/or investment toward this goal can be included in future ADB assistance after the MDP implementation period is over.

7. The TA will formulate an updated sector assessment and road map for ADB’s long-term assistance, while monitoring, coordinating, and strengthening ongoing MDP activities. It will also diagnose and renew medium- and long-term sector development agendas beyond the MDP implementation period, 2008–2014, to align with the microfinance development strategy; and recommend actions to achieve them.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

8. The impact will be greater financial inclusion and a deepened financial sector. The outcome will be an improved institutional and regulatory environment for microfinance development.

B. Methodology and Key Activities

9. The TA will have three main outputs, which will be delivered via the following methodology and activities.

10. **Output 1: An updated microfinance sector assessment and road map for ADB’s long-term assistance.** A microfinance sector assessment prepared for the MDP subprogram 1 will be updated, analyzing issues related to long-term sector development and providing inputs to the design of a sector strategy and road map for ADB interventions. The sector assessment

will be the analytical basis for ADB–government policy dialogue to help the government implement the microfinance development strategy and formulate future ADB assistance beyond the MDP implementation period.

11. Output 2: Strengthened sustainability of the Microfinance Development Program.

The MDP is supporting government initiatives to develop market-oriented microfinance along with the Viet Nam Microfinance Development Strategy and the Credit Institutions Law, 2010. The TA will monitor, coordinate, and strengthen the sustainability of ongoing MDP activities in the following areas:

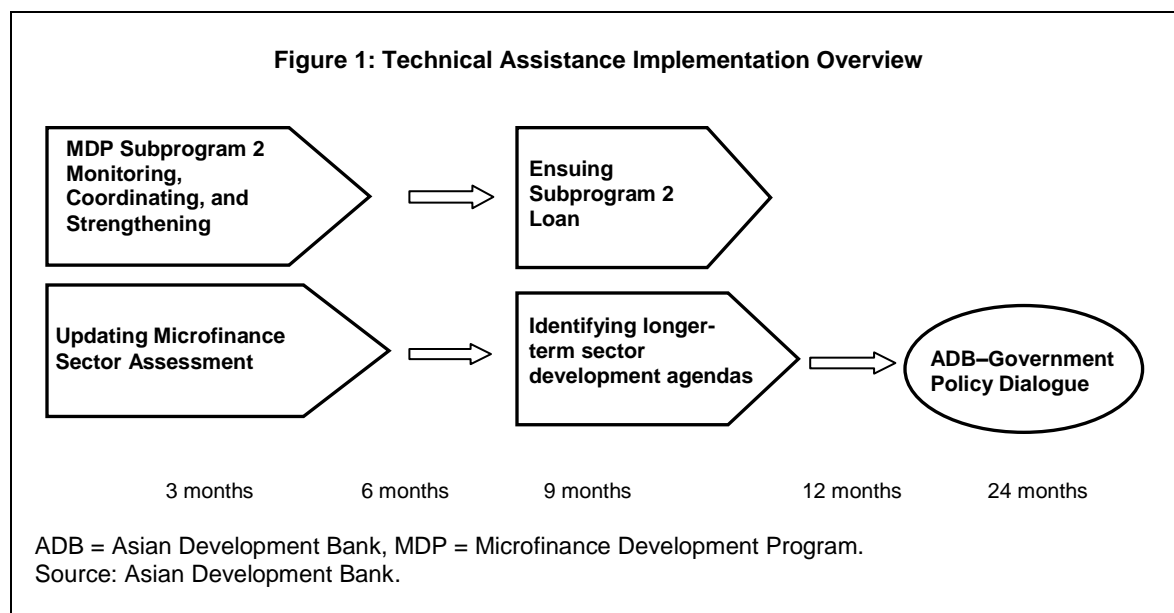
- (i) **Creating a policy and regulatory environment conducive to an inclusive, sustainable, and market-oriented microfinance sector.** Under the MDP subprogram 2, the implementing rules and regulations on SBV licensing requirements and prudential norms for MFIs—based on performance standards, credit classification, and provision standards—have been drafted. The TA will closely monitor their finalization through interministerial consultations and provide necessary recommendations. It will also provide advice to the government in formulating the implementing rules and regulations on audit and reporting requirements applicable to VBSP, PCFs, and other microfinance credit institutions to secure the integrity and transparency of microfinance operations.
- (ii) **Strengthening the supervisory capacity over microfinance.** Few regulators are qualified to provide effective supervision of the microfinance sector since the sector was only recently formalized. The SBV needs to improve its regulatory capacity, focusing on microfinance, including MFI performance standards and best practices unique to microfinance operations. Capacity development TA will help the government strengthen the overall supervisory capacity.⁶ The proposed TA will monitor the government’s efforts to strengthen the capacity of oversight agencies, provide policy advice, and coordinate capacity development assistance with the ADB capacity development TA team and development partners.
- (iii) **Strengthening credit institutions involved in microfinance to provide affordable and sustainable services to the poor.** The proposed TA will monitor the ongoing reform efforts of microfinance-involved financial institutions including VBSP, the Cooperative Bank, PCFs, and MFIs in strengthening institutional and operational capacity. It will also monitor fiscal supports to these efforts, provide policy advice, and coordinate capacity development assistance with the ADB capacity development TA team and development partners.
- (iv) **Supporting development of financial infrastructure for microfinance.** The proposed TA will monitor and assess the development of financial infrastructure, including training institutes, financial literacy programs, and the credit information exchange system. It will also monitor fiscal supports to these efforts, provide policy advice, and coordinate capacity development assistance.

12. Output 3: Longer-term sector development issues and actions identified. While the MDP subprogram 2 aims to achieve healthy sector development during 2012–2014, remaining development issues must be identified to achieve the overarching goal of a fully market-based microfinance sector beyond the MDP period to be covered by the post-program monitoring framework. The TA will clarify longer-term sector development agendas, which can include (i) wholesale lending institutions supporting institutional development and day-to-day operations of MFIs, (ii) rating agencies promoting investment in microfinance, (iii) an action plan for

⁶ ADB. 2013. *Technical Assistance to the Socialist Republic of Viet Nam for Strengthening Microfinance Sector Operations and Supervision*. Manila. (TA 8391-VIE).

microinsurance development to promote effective risk protection for low-income households, and (iv) a regulatory framework to promote electronic banking in microfinance to reduce transaction costs and protect clients. It will recommend step-by-step actions to achieve them, which can be supported by ADB assistance in the future.

13. An overview of the TA scope and implementation is in Figure 1.



14. **Complementarity with associated technical assistance projects.** While the ongoing TA attached to the MDP (footnote 5) helps implement key policy actions in the MDP to a successful result, capacity development TA approved in June 2013 (footnote 6) aims to strengthen microfinance sector operations and supervision through training to financial institutions and supervisory agencies. Table 1 shows the objectives and scope of each TA project.

Table 1: ADB Technical Assistance Projects Supporting Microfinance Development in Viet Nam

TA Title	TA Objective	TA Scope
Supporting Microfinance Development (this TA)	Support to the government in developing a sustainable microfinance sector	Policy advice for implementation of the Viet Nam Microfinance Development Strategy, 2011–2020
Supporting the MDP (TA attached to the MDP)	Support to the government for complying with key MDP subprogram 2 policy actions	Policy advice to selected areas of MDP activities
Strengthening Microfinance Sector Operations and Supervision (capacity development TA)	Strengthen microfinance operations and supervision	Training operators and supervisors, developing a training network, and promoting knowledge sharing

ADB = Asian Development Bank, MDP = Microfinance Development Program, TA = technical assistance.
Source: Asian Development Bank.

C. Cost and Financing

15. The TA is estimated to cost \$720,000, of which \$600,000 will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). The government will provide counterpart support in the form of counterpart staff, office space, and other in-kind contributions.

D. Implementation Arrangements

16. SBV will be the executing agency. Through successful implementation of the MDP and related projects since 2009, the institutional, organizational, procurement, and financial management capacities of the SBV have been proven satisfactory. A steering committee, which is identical to the MDP steering committee, will provide general policy direction and overall coordination in implementing the TA. The SBV will establish a project management unit to provide technical support to the steering committee. The Banking Academy, the Cooperative Bank, the Credit Information Center, the Ministry of Finance, PCFs and VBSP will be the implementing agencies. The TA will begin in March 2014 and be implemented over 24 months to end in March 2016.

17. The TA will provide 14 person-months of international consulting services and 21 person-months of national consulting services: (i) international microfinance sector development specialist and team leader, 6 person-months; (ii) international banking specialist, 4 person-months; (iii) international microfinance regulation specialist, 4 person-months; (iv) national microfinance specialist, 6 person-months; (v) national banking specialist, 6 person-months; and (vi) national project management specialist, 9 person-months. All the consultants will work on an intermittent basis. The consultants will be engaged by ADB individually in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The consultant terms of reference are in Appendix 3. Disbursements under the TA will be made in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). Equipment will be procured in accordance with ADB's Procurement Guidelines (2013, as amended from time to time). Upon project completion, all equipment purchased under the TA will be handed over to the executing agency in accordance with ADB guidelines.

IV. THE PRESIDENT'S DECISION

18. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$600,000 on a grant basis to the Government of Viet Nam for Supporting Microfinance Development, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact Greater financial inclusion and deepened financial sector</p>	<p>By 2018: Rural areas' share of total loans outstanding increased to 20% (2010 baseline: 17%)</p> <p>Savings mobilized by MFIs increased by 20% (2010 baseline: D248.65 billion)</p> <p>M2 over gross domestic product ratio increased by 10% (2010 baseline: 133%)</p>	<p>SBV banking statistics</p> <p>SBV banking statistics</p> <p>National statistics and International Monetary Fund reports</p>	<p>Assumptions Macroeconomic and political stability is maintained.</p> <p>Economic growth remains positive in 2011–2014.</p> <p>Risk External shocks affect the overall economy</p>
<p>Outcome Improved institutional and regulatory environment for microfinance development</p>	<p>By 2016: Number of microfinance borrowers increased by 10%, disaggregated by sex (2010 baseline: 12.5 million)</p> <p>Number of microfinance savings accounts increased by 10%, disaggregated by sex (2010 baseline: 9.7 million)</p>	<p>SBV reports</p> <p>SBV reports</p>	<p>Assumptions The government remains committed to microfinance development.</p> <p>Coordination among concerned government agencies is maintained for sector development.</p> <p>Risk Resistance persists against reform measures.</p>
<p>Outputs 1. An updated microfinance sector assessment and road map for ADB's long-term assistance</p> <p>2. Strengthened sustainability of the MDP</p>	<p>By 2015: Updated sector assessment and roadmap for ADB's long-term assistance</p> <p>Full compliance with the MDP subprogram 2 policy actions, including issuance and implementation of the licensing requirements and prudential norms for MFIs in line with the Credit Institutions Law, 2010</p>	<p>ADB knowledge management website</p> <p>ADB's Board of Directors approves the report and recommendation of the President</p>	<p>Assumptions Adequate resources are allocated.</p> <p>The government commitment to the market-oriented sector reform is unchanged.</p> <p>Adequate TA resources are allocated.</p> <p>Effective consultations with the government and development partners</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
3. Longer-term sector development issues and actions identified	Refined post-program monitoring framework	ADB's Board of Directors approves the report and recommendation of the President	
Activities with Milestones 1. An updated microfinance sector assessment and road map for ADB's long-term assistance 1.1 Update microfinance sector assessment and roadmap for ADB's long-term assistance (September 2014). 2. Strengthened sustainability of the MDP 2.1 Help create a policy regulatory environment conducive to an inclusive, sustainable, and market-oriented microfinance sector. 2.2 Help strengthen the supervisory capacity over microfinance. 2.3 Help strengthen credit institutions involved in microfinance to provide affordable and sustainable services to the poor. 2.4 Support the development of financial infrastructure for microfinance. 3. Longer-term sector development issues and actions identified 3.1 Identify longer-term sector development issues and recommend actions to address them (September 2015).		Inputs ADB TASF: \$600,000 The government will provide counterpart support in the form of counterpart staff, office space, and other in-kind contributions.	

ADB = Asian Development Bank, MDP = Microfinance Development Program, MFI = microfinance institution, SBV = State Bank of Vietnam, TA = technical assistance, TASF = Technical Assistance Special Fund.
Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	388.0
i. International consultants	325.0
ii. National consultants	63.0
b. International and local travel	57.0
c. Reports and communications	50.0
2. Equipment	10.0
3. Workshops, seminars, and conferences	30.0
4. Miscellaneous administration and support costs	5.0
5. Representative for contract negotiations	5.0
6. Contingencies	55.0
Total	600.0

Note: The technical assistance (TA) is estimated to cost \$720,000, of which contributions from the Asian Development Bank are presented in the table above. The government will provide counterpart support in the form of counterpart staff, office space, and other in-kind contributions. The value of government contribution is estimated to account for 16.7% of the total TA cost.

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-V).

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The technical assistance (TA) will require 14 person-months of international consulting services and 21 person-months of national consulting services: (i) international microfinance sector development specialist and team leader, 6 person-months; (ii) international banking specialist, 4 person-months; (iii) international microfinance regulation specialist, 4 person-months; (iv) national microfinance specialist, 6 person-months; (v) national banking specialist, 6 person-months; and (vi) national project management specialist, 9 person-months. All the consultants will work on an intermittent basis.

A. International Consultants

1. Microfinance Sector Development Specialist and Team Leader (6 person-months, intermittent)

2. The microfinance sector development specialist and team leader will have a graduate degree in banking, finance, or a related field, with at least 15 years of recognized professional experience in microfinance sector development at the policy and institution levels, including at least 10 years in reforming the microfinance policy and regulatory framework. Experience in Southeast Asia, especially knowledge of Viet Nam's microfinance sector, is preferable.

3. Working under the guidance of the Asian Development Bank (ADB), the specialist and team leader will supervise and coordinate the work of the consulting team to monitor, coordinate, and strengthen ongoing Microfinance Development Program (MDP) activities, along with the Subprogram 2 policy matrix; prepare a financial sector assessment, including the microfinance subsector; and identify longer-term sector development issues and recommend actions to address them as inputs to the ensuing loan. The consultant will take lead responsibility for the following scope of activities:

- (i) Review government actions to comply with the MDP subprogram 2 policy matrix, with documents to substantiate the actions; and analyze the policy environment, legal and regulatory frameworks, reforms, and capacity development of participating institutions, financial infrastructure supportive to microfinance, and sector performance during the MDP implementation period. In doing this, the specialist and team leader will coordinate and incorporate inputs from the in-depth institutional and regulatory reviews to be provided by the banking specialist and microfinance regulation specialist.
- (ii) Provide first-hand empirical information and data on sector performance, and identifying policy and institutional constraints to sector growth through a survey, consultations, and interviews, with inputs from the banking specialist and the microfinance regulation specialist.
- (iii) Review recent, present, and proposed future development initiatives, including the government's programs and strategies and development partner activities, to prepare a development coordination matrix.
- (iv) Based on (i), (ii), and (iii), prepare an updated comprehensive financial sector assessment with the progress on reform of the microfinance subsector, identifying the remaining policy and institutional constraints to sector growth.
- (v) In close consultation with concerned government agencies, draft a status report on the Viet Nam Microfinance Development Strategy, 2011–2020 toward a robust market-based microfinance sector.
- (vi) Update a sector road map and sequence sector development priorities for ADB's longer-term sector assistance program in Viet Nam, to address binding

- constraints in the policy and regulatory environment and institutional development.
- (vii) Prepare overall inputs for the design of the ensuing loan, including a loan concept, its rationale and scope, a summary of the sector assessment, a national sector strategy and ADB sector road map, immediate and medium-term policy options and investment needs to support institutional development initiatives, as well as a development coordination matrix, implementation arrangements, and other documents linked to the loan document. The consultant will also be required to review the financial management capacity of the executing and implementing agencies and prepare a funds flow arrangement for the ensuing loan as necessary.
 - (viii) Ensure that international experience and best practices in microfinance, as well as poverty focus and gender perspectives, are adequately addressed in the sector assessment, sector strategy, road map, and loan and TA design as appropriate.
 - (ix) Coordinate with the executing agency to organize the TA inception, midterm and final workshops, and present at these workshops:
 - (a) inception workshop (within 3 weeks after mobilization, late March–early April 2014): a detailed work plan of the consultant team and preliminary outputs to date;
 - (b) midterm workshop (5 months after inception, August 2014): final draft sector assessment, final draft status report on the national sector strategy, final draft sector road map of the longer-term ADB sector assistance program, and draft loan concept; and
 - (c) follow-up workshop (within 6 months after midterm, February 2015): key design element of future ADB assistance, including the proposed medium- to long-term policy actions and institutional development investments beyond the MDP implementation period.
 - (x) Submit to ADB the following reports: (a) inception report, including detailed consultant work plan and preliminary outputs to date; (b) midterm report, including a final sector assessment, draft status report on the national sector strategy, and updated ADB sector road map; and (c) final report, covering the TA project's overall inputs to ADB's policy dialogue with the government and future assistance. The inception and midterm reports should be submitted within 1 month of the respective stakeholder workshop. The draft final report should be submitted by the end of October 2015 and the final report should be submitted within 1 month of receiving comments from the government and ADB.

2. Banking Specialist (4 person-months, intermittent)

4. The banking specialist will have a graduate degree in banking or finance, with at least 10 years of recognized professional experience, focusing on bank and financial institution restructuring. Experience in Southeast Asia, especially knowledge of Viet Nam's microfinance sector, is preferable.

5. The banking specialist will work under ADB guidance and the direct supervision and coordination of the specialist and team leader. The specialist's responsibilities will include the following activities:

- (i) Review key institutions providing microfinance in Viet Nam, including Vietnam Bank for Social Policies (VBSP), people's credit funds (PCFs), microfinance institutions (MFIs), nongovernment organization microfinance programs, and

commercial banks, to assess their operational performance and institutional capacity to provide different financial services for low-income households and their microenterprises in a sustainable manner. This review should include governance structure; description of services (terms and conditions); number of clients, disaggregated by sex and volume of services; clients' characteristics; marginal analysis (expenses, incomes, profits, subsidies); and funding sources. It should also identify constraints to the growth of these institutions.

- (ii) Through a small institutional survey, consultations, and interviews, assess the institutional capacity of microfinance-involved financial institutions and identify growth constraints.
- (iii) Make a cost-benefit appraisal of sample programs using subsidized credit as policy lending for poverty alleviation, focusing on VBSP.
- (iv) Based on (i), (ii) and (iii), prepare a short-, medium-, and long-term institutional strengthening program to provide inputs to the overall sector assessment, a status report on the national sector strategy, and ADB sector road map update.
- (v) Prepare a proposal to support medium- and long-term institutional development initiatives under future ADB assistance.
- (vi) Participate in and present inputs to the inception, midterm, and final stakeholder workshops.
- (vii) Prepare draft and final reports, the sector assessment, a status report on the national sector strategy, ADB sector road map update, and loan proposal for discussion at inception, midterm, and final TA workshops.

3. Microfinance Regulation Specialist (4 person-months, intermittent)

6. The microfinance regulation specialist will have an internationally recognized professional finance, banking, or related degree, with at least 10 years of professional experience, focusing on development policy and regulations relevant to microfinance, business establishment, and ownership. Experience in Southeast Asia, especially knowledge of Viet Nam's microfinance sector, is preferable.

7. Working under ADB guidance and the direct supervision and coordination of the specialist and team leader, the microfinance regulation specialist's responsibilities will include the following activities:

- (i) Assess the capacity of the State Bank of Vietnam (SBV) to supervise and regulate the microfinance sector, and evaluate the capacity of supporting institutions, including credit information bureaus, training institutions, network of MFIs, rating agencies, and consultancy providers.
- (ii) Review the overall microfinance regulatory framework, including the Credit Institutions Law, 2010 and its implementing guidelines, focusing on governance, ownership, registration, branch setup, mobile banking, taxation, foreign participation, and identification of any discriminatory provisions from gender and regional perspectives, with a view to identifying areas needing improvement.
- (iii) Meet with concerned government agencies, particularly SBV and the Ministry of Justice, to discuss constraints and make recommendations to facilitate the creation and growth of different types of service providers of different ownership structures.
- (iv) Provide other specialists and team leader with inputs from a regulatory aspect to the microfinance sector assessment, a status report on the national sector strategy and ADB sector road map update.

- (v) Participate in and contribute to the inception, midterm, and final stakeholder workshops, as appropriate.
- (vi) Prepare draft and final reports with inputs to the sector review, sector road map update, and loan proposal for inclusion as appendixes in those documents to be discussed and submitted to ADB at dates specified in para. 3, (ix).

B. National Consultants

1. Microfinance Specialist (6 person-months, intermittent)

8. The national microfinance specialist will have a degree in banking or finance or have an established career in the finance or microfinance sector, with at least 10 years of recognized professional experience. The specialist must be well versed in Viet Nam's microfinance policies, regulations, and institutional issues. Excellent oral and written English communication skills are required.

9. Working under ADB guidance and the direct supervision of the specialist and team leader, the national microfinance specialist's responsibilities will include the following activities:

- (i) Assist the consultant team in collecting and analyzing information and data; and provide analytical inputs to the sector assessment, a status report on the national sector strategy, ADB sector road map update, and proposal of the ensuing loan.
- (ii) Compile documents to substantiate the government's compliance with the policy actions called for by the MDP subprogram 2, and analyze the data under the supervision of the specialist and team leader.
- (iii) Arrange meetings with government agencies and stockholders for the consultant team and, as required, attend meetings and advise concerned government officials on policies and regulations supportive of microfinance best practice and how they may be incorporated in Viet Nam.
- (iv) Prepare, organize, and hold, jointly with the consultant team and the executing agency, the inception, midterm, and final stakeholder workshops.
- (v) Provide administrative and logistic support to ADB missions, including arranging meetings with government agencies and stockholders and attending meetings, as required.
- (vi) Provide translation and/or interpretation of information, data, documents, and meetings for the consultant team and ADB missions, as required.
- (vii) Coordinate all activities with the concerned government agencies and maintain close contact with the executing agency on a regular basis.
- (viii) Participate in the stakeholder workshops; and contribute to the inception, midterm, and final reports.

2. Banking Specialist (6 person-months, intermittent)

10. The national banking specialist will have a degree in banking or finance or have an established career in the finance or microfinance sector, with at least 10 years of recognized professional experience. The specialist must be well versed in Viet Nam's microfinance policies, regulations, and institutional issues. Excellent oral and written English communication skills are required.

11. Working under ADB guidance and the joint supervision of the specialists and team leader, the national banking specialist's responsibilities will include the following activities:

- (i) Assist the international banking specialist with all aspects of the terms of reference, as required.
- (ii) Collect and analyze information and data on banks and financial institutions, and provide analytical inputs.
- (iii) Compile documents to substantiate the government's compliance with the policy actions called for by the MDP subprogram 2, and analyze the data under the supervision of the international banking specialist.
- (iv) Arrange meetings with government agencies, banks, finance institutions, and other stockholders; and attend the meetings.
- (v) Provide translation and/or interpretation of information, data, documents, and meetings for the international banking specialist and ADB missions, as required.
- (vi) Participate in the stakeholder workshops; and contribute to the inception, midterm, and final reports.

3. Project Management Specialist (9 person-months, intermittent)

12. The national project management specialist will have a degree in banking or finance or a development-related subject and at least 5 years of recognized professional experience in project assistance and management. Experience working for international aid organizations is preferable. The project management specialist's responsibilities will include the following activities:

- (i) Arrange ADB requirements for TA funds transfer, payment for TA activities, and report on TA fund disbursements.
- (ii) Arrange and organize meetings for TA activities and ADB missions.
- (iii) Prepare materials for reports, meetings, and workshops, including translating materials and producing documents, as well as filing compliance documents regarding the MDP subprogram 2.
- (iv) Provide translation and interpretation from English to Vietnamese and from Vietnamese to English, as required, including in meetings and workshops.
- (v) Assist TA consultants on technical matters, as requested.
- (vi) Assist TA consultants on administrative matters, including travel and visa arrangements; maintain hard and soft copies of files (for backup); and perform general office administration.
- (vii) Contribute as required to the inception, quarterly progress, midterm, draft final, and final reports.
- (viii) Perform other work in connection with the project as may be reasonably requested by TA consultants.