

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Viet Nam	Project Title:	Support to Border Areas Development Project
Lending/Financing Modality:	Project	Department/ Division:	Southeast Asia Department/Viet Nam Resident Mission

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

Viet Nam has achieved remarkable poverty reduction results over the past two decades. The poverty rate, measured by the international standard, has decreased remarkably from 58% in 1993 to 14% in 2008 (GSO, 2009). By 2012, the national poverty rate was estimated at 11.1% (GSO, 2012). However the development effect is uneven, especially in the rural and remote areas and among ethnic minorities groups. The central highland of Viet Nam in particular and Triangle development areas in general presents some challenges in both income and non-income poverty for the population, especially among EM groups. 73.6% of the Central Highland Minorities living below the government poverty line. This happens in the region that has great opportunities for development including tourism, mining, agribusiness crops, and export/logistics industries due to lying in close proximity to coastal growth pole.

The project focus its support on improving road connectivity to promote access to economic opportunities (and improving incomes) through improved access to markets with agro-business, logistical facilities support, access to tourism sites and to social services (health care) of local population including EM people living in the region to facilitate them catching up with the majority and better-off groups.

The project aims to contribute to implementation of poverty reduction and inclusive growth in the DTA, in line with the Government's SEDP 2011 – 2015 linking poverty reduction with promoting growth and development, considering poverty reduction not as just a goal but an engine for development and the Master plan for Social-Economic Development in CLV-DTA up to 2020.

The project support will contribute to achieving ADB's CPS 2012-2015 targets on promoting inclusive growth with the support to disadvantage provinces and communities in the TDA as part of Central and mountainous regions.

B. Poverty Targeting

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)

The project will generally improve the living conditions of residents in the TDA by improving road and connectivity for agro-business development for improved profit/incomes resulting from improved economic opportunities/employments and access to social services (health care) for local people, including EM groups, leading to poverty reduction.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The expected beneficiaries of the projects are road users in general, farmers who live on industrial crops (coffee, pepper, rubbers, etc.) value chains; business communities using improved logistic facilities and border gate facilities running along the connectivity road; the local residents who live on tourism services and local residents in needs of easier access to hospitals with improved roads. (i) The beneficiaries needs are to have improved condition roads to reduce travel time and cost of travelling for people and goods; improved access to market and agro-business facilities to improve profit; improved access to tourism sites for tourist attraction to increase employment opportunities and incomes; and finally improved access to hospital for those seeking health care services. (ii) Constraints to access to proposed benefit include lack of information, language barrier among EM people, low skilled labors to optimize employment opportunities arising from project support to take part in the value chains effectively and poor coordination among participating provinces' local authorities for a better planning, implementation and maintenance of the improved infrastructures under financed project for a sustainable development and poverty reduction. Further constraints needs to be identified during PPTA process. The Central Highland poverty rate is 20.3% in general, higher than the national average poverty rate of 12.6% in 2011. Ethnic minorities groups living in the region account for a large part of the poor and have limited access to social services (education, health care, water supply). Many ethnic minorities, especially of middle-aged women have language barrier and face difficulties in taking up economic opportunities from development processes.

2. Impact channels and expected systemic changes. Road connectivity improvement, border gates, agro-business facilities and logistic facilities improvement from project investment is expected to result in improving the conditions of the poor and socially excluded among the beneficiaries through (i) the higher return/profitability for everyone in the agro product value chains in the region due to lower time and cost of travel of people and goods and improved agro-business services, (ii) easier access to health care (hospital) and (iii) improved incomes from tourism services (due to improved connectivity to tourist sites). The PPTA will further identify constraints in accessing proposed benefit and services to design interventions to address potential constraints.

3. Focus of (and resources allocated in) the PPTA or due diligence. (See Handbook on Poverty and Social Analysis, ADB, 2012)

- Gender sensitive assessment of road conditions and accessibility by local residents to the key hospital and health

facilities and schools in the region these hospital/health facilities, schools have intended to serve.

- Gender impact Assessment of road conditions connecting to highly potential tourism sites, tourism development potential and employment/ logistics and trading opportunities linked to improved connection.

- Social and Poverty Assessment of the local population (among them women and EM are key groups), which are potential beneficiaries of the project investment components (road connectivity, border gate and logistics facilities upgrading; agro-business facilities improvement). This assessment should also include identifying detailed constraints to participation and benefit and mitigation measures.

4. Specific analysis for policy-based lending. Not applicable.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?

- Key gender issues in the sector/subsectors that are likely relevant to this project include (i) road conditions and accessibility to key hospital in the region by local resident, among them are women, children and those of EM groups; (ii) women's participation, benefit and economic empowerment in the TTF and value chain support; and (iii) women access to employment generated during and post-civil work of road O&M, border gate facilities and logistics facilities operation. (iv) potential risks from improved connectivity and investment (HIV/AIDs transmission, human trafficking, resettlement etc.) and mitigation measures and (iv) gender sensitization and gender mainstreaming capacity in planning and implementation of related government agencies in this proposed project.

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 during PPTA based on gender assessment conducted during the PPTA.

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

Yes No Please explain

The PPTA will identify potential adverse impact on women and/or girls if any and design mitigation measures in GAP if such impacts are identified.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity) 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.

5 participating provinces' People's Committees, relevant border gates authorities, local communities/farmers/road users, agro-business community. People's committees and their relevant sectors and border gates authorities will participate in scoping of the project, during the design while local communities/farmers/roaders users with their representative and agro-business community will participate in consultation to identify their needs, opportunities, constraints and project interventions to ensure their full participation, benefit and mitigation of negative impact (such as of resettlement, etc.).

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?

The project will contribute to engaging and empowering stakeholders and beneficiaries, particularly the poor, vulnerable and excluded groups through consulting, information sharing on project design and implementation. The participatory workshops will be conducted during initial project design to understand stakeholders (including those of the poor, vulnerable and excluded groups) expectations, needs, constraints. Participation of the poor and excluded people's representatives in design would be on resettlement, road sections that facilitate access to hospitals/ health care facilities, constraints to their participation and benefit from the project's components, including the one related to the agriculture, logistics and trade facilitation strategy development. .

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?

H Information generation and sharing M Consultation M Collaboration Partnership

Women Union is key and active civil society organization in the project areas. There might be other NGOs active in the regions. They will be invited to collaborate with the PPTA team to support their members/beneficiaries to participate in project design during information sharing, consultation.

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

The issues for which participation of the poor and excluded important include: Resettlement, assessment of accessibility and road connection to health care (with road users – including women, ethnic minorities – to travel to hospital); assessment on needs, expectation and constraints related to agro-business support (involved women and

ethnic minorities people in the value chains). Stakeholder workshop to discuss and consult the issues above will be organized during PPTA.

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 Please explain, and provide information on the extent of land and assets acquisition and the estimated number of affected persons. Also describe actions/measures to be conducted during due diligence to address involuntary resettlement. Rehabilitation/upgrading of existing road sections may result in minor land acquisition and impact on some structures along the road. The potential road sections to be covered under the project will be assessed during the PPTA. An RF will be prepared to guide IR screening and RP preparation.

2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?

Resettlement plan (in case of confirmed IR impacts) Resettlement framework Social impact matrix

Environmental and social management system arrangement None

B. Indigenous Peoples Category A B C 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? Yes No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? Yes No The improved connectivity of the project areas to markets and services is expected to benefit the local population, including ethnic minorities (EMs). In addition, the project will potentially benefit the EM people with employment opportunities during and post civil work of the roads, O&M and TTF facility operation, and capacity building.. Potential adverse impacts, if any, will be related to minor loss of land and structures that are owned or used by households belonging to ethnic minorities as a direct result of the road upgrading/rehabilitation. A due diligence review will be done during the PPTA to verify potential positive and negative impacts on EMs.

3. Will the project require broad community support of affected indigenous communities? Yes No Please explain. The project interventions do not involve any commercial development of natural resources in EM communities and will not result in EM's displacement from their ancestral domain/traditional areas.

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

Indigenous peoples plan (in case of confirmed impacts on specific EM communities) Indigenous peoples planning framework Social Impact matrix

Environmental and social management system arrangement None

V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

L Creating decent jobs and employment Adhering to core labor standards Labor retrenchment

M Spread of communicable diseases, including HIV/AIDS M Increase in human trafficking Affordability

Increase in unplanned migration Increase in vulnerability to natural disasters Creating political instability

Creating internal social conflicts Others, please specify

Indicate high (H), medium (M), low (L) for selected boxes: The level of risks (H, M or L) is will need to be re-assessed during PPTA.

2. How are these additional social issues and risks going to be addressed in the project design?

Further investigation on the risks will be conducted under the TA and if the risks are real, measures to address would be included in the project designs outcomes where relevant.

VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

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?

Yes 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? Social and gender specialists (international 1.5 person-months and national , 4 person-months) to conduct poverty and social analysis (PSA), gender analysis and gender action plan (GAP), develop stakeholder consultation and participation plan and communication strategy, SPRSS during PPTA or due diligence.