

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Viet Nam	Project Title:	Skills and Knowledge for Inclusive Economic Growth (SKIEG)
Lending/Financing Modality:	Sector Development Program (SDP)	Department/ Division:	TRM/SEHS, SERD

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

Under the Socio-Economic Development Strategy (SEDP) 2011–2020, the Government of Viet Nam (the Government) has set out the industrialization of the country as the long-term development goal and states that the development of high quality human resources is a key strategy to achieve this goal. The Government has enhanced development of competitive labor which will directly contribute to the inclusive economic growth. The Asian Development Bank's (ADB) Country Partnership Strategy 2012–2015 for Viet Nam has prioritized the education sector in the support to Viet Nam's goal of raising the upper middle income country status.¹ In the Country Business Operations Plan (COBP) 2015–2017,² the project preparatory technical assistance (PPTA) of the Skills and Knowledge for Inclusive Economic Growth (SKIEG) is included in the 2015 TA pipeline.³ The ensuing loan is included in the lending pipeline for 2018, tentatively for \$100 million to be financed from ADB's Special Funds Resources.

B. Targeting Classification

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

The proposed SKIEG will include selected disadvantaged groups as part of expected beneficiaries.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. The beneficiaries of the program will be students who will graduate from improved TVET institutions and the business community that will benefit from a modernized TVET system. Students that enroll in institutions that are directly supported by the program will mostly come from low income families, who have limited or no access to higher education or quality skills training after graduating from secondary education. Improving the overall TVET system and teaching and learning environments at selected institutions will contribute to increase opportunities for TVET graduates to progress to higher levels of education and/or find better employment and income earning opportunities.

2. Impact channels and expected systemic changes. Low quality and relevance of TVET programs hinder employability of students. Improving the quality and relevance of the overall TVET system will improve the employability of graduates and/or promote better prospects to start their own business.

3. Focus of (and resources allocated in) the PPTA or due diligence. The PPTA will review and assess the performance of the TVET sector in Viet Nam and identify the challenges and weakness, which are a bottleneck of socio-economic growth. The PPTA will develop a sector development program suitable for ADB financing in terms of technical, financial, economic, institutional, and safeguard dimensions and will produce a due diligence report.

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?

¹ ADB. 2012. *Country Partnership Strategy: Viet Nam, 2012–2015*. Manila.

² ADB. 2014. *Country Business Operations Plan Viet Nam 2015–2017*. Manila

³ The PPTA was originally included in COBP as the Secondary Education Sector Teachers and Education Managers Development and later renamed as the Skills and Knowledge for Inclusive Economic Growth I during the Country Programing Mission for Viet Nam in 2015.

Viet Nam has made significant progress in increasing female representation in TVET. However, female enrolments are concentrated in study fields such as hospitality, business, and administration. To further expand the access of girls to quality TVET programs in other study fields and identify obstacles to girls' access to TVET, the PPTA team will undertake detailed assessments and ensure that agreed gender actions are included in the policy matrix and in the Gender Action Plan related to the investment loan.

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 Please explain.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?
 Yes No Please explain

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.
 The Ministry of Labor—Invalids and Social Affairs (MOLISA) will be the executing agency in collaboration with Ministry of Industry and Trade (MOIT). The main stakeholders are government officials responsible for TVET policy making, students, teachers, school managements of selected TVET institutions, representatives from companies, and the business community, and staff of the Ministry of Education and Training (MOET). All stakeholders will be consulted throughout project design. Workshops with school managements and teachers will be conducted in in two regions. The project preparatory team will also conduct visits to TVET institutions. Development partners in particular GIZ, KfW, will be consulted to ensure harmonized coordination of development efforts.

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 program will improve the overall coordination in the TVET sector. Improved policies and implementation guidelines and demand driven TVET programs will help youth and adults to get better training and improve their skills to increase their income opportunities. Companies will benefit from better prepared graduates from TVET institutions. Specific policies will address TVET provision in underserved areas.

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 The Project will not include any civil works or involuntary land acquisition.

2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?
 Resettlement plan 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
3. Will the project require broad community support of affected indigenous communities? Yes No
4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?
- Indigenous peoples plan 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?** None.
- Creating decent jobs and employment Adhering to core labor standards Labor retrenchment
 Spread of communicable diseases, including HIV/AIDS 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 _____
- 2. How are these additional social issues and risks going to be addressed in the project design?**
None.

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?
- Building on extensive analysis carried out by the team of international and national consultants, including a gender specialist, the PPTA will support poverty, social, and gender analysis linked to proposed interventions, and includes resources for consultations with development partners, civil society organizations, business associations and government partners.