

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Viet Nam	Project Title:	Second Greater Mekong Subregion Corridor Towns Development Project
Lending/Financing Modality:	Project Loan	Department/ Division:	Southeast Asia Department Urban Development and Water Division

<p>I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY Poverty Targeting: General intervention</p>
<p>A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy The project supports Vietnam’s Socio-Economic Development Strategy, 2011–2020 by gradually constructing major urban infrastructure and supporting the prioritization of traffic infrastructure development projects. The project supports the ADB country partnership strategy 2010-2015^a by supporting inclusive growth and gender equity through activities targeting the water supply and other municipal infrastructure and services sector (with a focus on infrastructure and the environment). The project aims to improve the urban environment in cities and towns nationwide, and will benefit poor households in particular, with the outcome that urban environmental infrastructure and services improve.</p>
<p>B. Results from the Poverty and Social Analysis during PPTA or Due Diligence</p>
<p>1. Key Poverty and Social Issues. The key poverty and social issue is the need for environmentally sustainable urban infrastructure that can provide a basis for economic growth in the three cities. Poor sanitation systems and recurrent periodic flooding negatively affect household incomes and health, especially of poor and vulnerable households. Poverty rates in 2013 were as follows: 1.6% in Bac Giang (606 poor households); 0.7% in Mong Cai (174 households); and 4.16% in Sa Pa town (109 households). In Mong Cai and Sa Pa no households have a separate wastewater collection and treatment system, and all rely instead on a variety of solutions involving septic tanks and/or latrines. In Bac Giang the main urban area is only partly served by an integrated wastewater collection and treatment system; 70% of surveyed households in the flood-prone area experienced flooding in the last 5 years, 33% had lost assets, and 78% experienced damage to their house or land. Social issues in Sa Pa district include a lack of stable jobs and vocational skills, especially for landless ethnic minorities. Ethnic minority women whose livelihoods depend on tourism businesses and services in Sa Pa town have few opportunities to improve family incomes, and have recently lost employment opportunities that were formerly provided by the recently demolished old market area.</p> <p>2. Beneficiaries. Direct beneficiaries in the three towns are 19,700 people who will be serviced by new and improved wastewater collection and treatment facilities, with free connections at affordable monthly tariffs, including 8,585 people in Bac Giang, 6,855 people in Mong Cai, and 4,260 people in Sa Pa, including (i) 100% of the poor (about 300 households), and (ii) households headed by women in the service areas (68% of beneficiaries in Bac Giang, 63% in Mong Cai, and 23% in Sa Pa). Beneficiaries include the 19,900 households with reduced flood risk from improved flood management and drainage improvements, and users of the new public road and transport services, who will have improved access to markets and enjoy safer and shorter travel times. Employment opportunities will be created through civil works construction and operation and maintenance (O&M) positions arising from project investments. Local employment opportunities will be enhanced through targeted vocational and livelihoods skills development (supported by market and value chain studies) supported under the project’s Capacity Development Plan. An improved skills base will position the local population to leverage jobs, because of an increase in private sector investment that is expected as a result of improvements in urban services.</p> <p>3. Impact Channels. New or improved wastewater collection services are expected to reduce waterborne and water-related diseases, and loss of working and school days for poor and vulnerable households. Increased production and connectivity to services through urban and peri-urban roads will shorten travel times from agricultural production centers to market places; from city centers to tourist destinations (Bac Giang, Sa Pa); and from peri-urban homes to schools and health facilities (Bac Giang). Improved protection from periodic flooding (Bac Giang, Mong Cai) will reduce economic disruption and losses in urban areas. There will be increased (i) incomes for local unskilled laborers during construction; (ii) employment opportunities in infrastructure-related O&M, and from tourism; and (iii) investment accompanying increased economic activity. Implementing and supporting agencies in the cities will build their capacity to plan, design and implement urban improvements. Natural assets, including rivers and streams, will be enhanced through urban environmental protection. Information campaigns will strengthen community awareness of and the assumption of responsibility for environmental sanitation.</p> <p>4. Other Poverty and Social Issues. Mong Cai is a border town and considered a transit point for human trafficking (quantitative data is unavailable, but police undertake activities to combat trafficking through Mong Cai). In Sa Pa district, ethnic minorities comprise 82% of the population, and the district poverty rate is 34%. Poverty is addressed through social assistance programs, including national Program 135 (providing production support and infrastructure), Program 102 (production support for the poor), and provincial programs. Since 2009, Sa Pa district has implemented a relocation program for ethnic minorities under Decision 33/2007/QD-TTg.</p> <p>5. Design Features. The project’s poverty reduction and socially inclusive design features include: (i) provision of basic infrastructure for wastewater collection to households that currently have no services, with free connections at</p>

affordable monthly tariffs; (ii) access to employment in project construction for unskilled laborers and ethnic minorities; (iii) targeted skills and vocational training for the poor and unskilled, and those with unstable jobs, through government counterpart funding for capacity building; and (iv) implementation of at least 15 community awareness and dissemination campaigns covering environmental sustainability themes in the three cities to enhance and sustain benefits from the provision of infrastructure.
II. PARTICIPATION AND EMPOWERING THE POOR
All stakeholders, including the poor and vulnerable, participated in problem identification discussions at the city and commune level during the project preparatory technical assistance. Targets for employment in civil works construction and O&M of infrastructure improvements are designed to increase participation, while targets for capacity development of underrepresented female staff in key management areas are designed to increase female participation in the sector. Communities will be reached through the Women's Union members, optionally in collaboration with nongovernment and community service organizations that have relevant capacities and presence in the provinces and cities. Six nongovernment and community service organizations have been identified as candidates for collaboration. The government's counterpart funding for capacity building will fund skills and livelihood support training for the poor, women and ethnic minorities. What forms of civil society organization participation is envisaged during project implementation? M - Collaboration Will a project level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons particularly the poor and vulnerable? <input checked="" type="checkbox"/> Yes
II. GENDER AND DEVELOPMENT
Gender mainstreaming category: Effective Gender Mainstreaming (EGM)
A. Key issues. Women have an immediate interest in environmental sanitation, because gender-defined roles assign women responsibility for household environmental sanitation. In Bac Giang and Mong Cai the time women have available to pursue economic opportunities and health-related activities is constrained by poor environmental sanitation. In Bac Giang, 68% of households are headed by women; in Mong Cai, 65%; and in Sa Pa, 23%, but there are no significant differences in terms of poverty incidence or other social vulnerability indicators compared with households headed by men. Most female heads of households are married, indicating their husbands have migrated for work. In addition to time constraints, women (i) receive low recognition of their economic contributions; (ii) have limited qualifications and job opportunities; (iii) are poorly represented in institutions and public sector decision making, and have low levels of community participation; and (iv) are at risk from domestic violence and human trafficking (in Sa Pa district 1,000 women have disappeared since 2004).
B. Key actions. The gender action plan (GAP) has been prepared to ensure that women will benefit from the improved infrastructure investments, including a total of 71,490 women (38,166 of whom live in the urban area) in Bac Giang; 43,840 (25,741 urban) in Mong Cai; and 26,336 total (3,773 urban) in Sa Pa town. Implementation of the GAP will maximize the project's gender equality impacts, promote women's participation in the project, enhance direct access to project benefits, and provide measures to mitigate possible negative impacts. Key gender-sensitive design measures include: (i) provision of free wastewater connections for 19,700 people at affordable monthly tariffs; (ii) training of least 20 persons (30% female) in key aspects of project management; (iii) gender-sensitive training for at least 100 persons (50% female) (including community leaders, government officers and consultants involved in project implementation and delivery); (iv) ensuring women account for 30% of unskilled construction laborers and O&M staff; (v) targets for PMU and PIU recruitment of 50% female staff, including 30% in decision making positions; (vi) skill training and value chain market support for poor women to enhance local economic opportunities; and (vii) provision of an international and a social development and gender specialist to work with local gender focal points and the PMUs and PIUs in collecting sex-disaggregated data for GAP monitoring and reporting using the standard ADB GAP reporting template. <input checked="" type="checkbox"/> Gender action plan
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES
A. Involuntary Resettlement Safeguard Category: <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
1. Key impacts. A total of 16.46 hectare of land will be acquired, affecting 659 households, and approximately 2,788 persons. Specifically, (i) 3 households (15 persons) will require physical relocation due to the loss of their structures; (ii) 21 households will experience loss of more than 10% of income-generating assets; (iii) 1 household will lose all their production land; (iv) 28 households will have their remaining agricultural areas rendered too small for continued cultivation; and (v) 76 households will be affected by the loss of graves. 2. Strategy to address the impacts. All of the affected households are entitled to compensation and rehabilitation assistance. Income restoration will be provided to severely affected and vulnerable households. A cutoff date will be established with extensive stakeholder consultation and participation. Project information has been disclosed to affected persons throughout project preparation and a project information booklet will be updated and distributed during the detailed measurement survey. There will be internal monitoring at all stages of subproject implementation. In compliance with ADB's information disclosure and consultation requirements, the safeguard documents will be posted on the ADB website.

3. Plan or other Actions. <input checked="" type="checkbox"/> Resettlement plan
B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
1 & 2. Indigenous peoples safeguards are triggered for the Sa Pa subproject, but impacts are limited to land acquisition. 3. Plan or other actions. <input checked="" type="checkbox"/> Ethnic Minority Development Plan
V. ADDRESSING OTHER SOCIAL RISKS
A. Risks in the Labor Market Labor market impact. The following targets will apply for hiring: women to account for 30% of unskilled laborers employed in subproject construction, with core labor standards clauses included in the contractor's contracts; women to make up 30% of staff employed in O&M; and 75% of unskilled laborers to be of local origin. Local poor people will receive preferential treatment for job opportunities provided by the project. Female government staff and poor unskilled laborers trained by the project may have access to better paying jobs.
B. Affordability In all three cities wastewater collection connections will be provided free of charge. Proposed tariffs for both wastewater and solid waste management have been assessed as affordable for low income (10th percentile) households. In 2016 the monthly tariffs will be: Bac Giang 0.2% of current average monthly income, Mong Cai 0.7%, and Sa Pa 0.7%.
C. Communicable Diseases and Other Social Risks L - Communicable diseases L - Human trafficking The project will offset possible risks from communicable diseases introduced by outside workers by local sourcing of 75% of all unskilled laborers and staff. In addition to ongoing provincial HIV/AIDS programs, the PMUs, in collaboration with the Department of Health and the contractor, will work closely with district and village-level health services to develop awareness, training, prevention, and diagnosis and treatment programs for workers. Although the risk is low, the project may impact human trafficking in Sa Pa through increased investment that may attract traffickers; risk mitigation will comprise community outreach activities that target vulnerable ethnic minority women.
VI. MONITORING AND EVALUATION
1. Targets and indicators: The key targets and indicators for poverty reduction and inclusive social development in the design and monitoring framework include: (i) 19,700 people serviced by new and improved wastewater collection and treatment facilities (Bac Giang: 8,585 people; Mong Cai: 6,855 people; Sa Pa: 4,260 people), including 100% of poor households (about 300) and those headed by women (68% of beneficiaries in Bac Giang, 63% in Mong Cai, and 23% in Sa Pa) in the service areas; (ii) flood risk reduced in the main built-up urban areas in Bac Giang and Mong Cai; (iii) 30% of unskilled laborers employed in subproject construction and 30% of staff employed in O&M are women, and 75% of all unskilled laborers and staff are of local origin; (iv) at least 20 persons (30% female) are trained in key project management areas, at least 100 persons (50% female) are trained in gender aspects, and the PIUs target recruitment of 50% female staff, including 30% in decision-making positions. 2. Required human resources: An intermittent national social development and gender specialist (10 person-months) will be part of the project management and implementation support consultant (PISC) team, and at least one social, gender and/or community development and livelihoods staff member will be designated by the PMUs in each city and/or district to coordinate the implementation, monitoring, and reporting of the project GAP, stakeholder communication strategy, and participation plan. 3. Information in PAM: Monitoring of impacts on social and gender aspects, including social inclusion and gender benefits, will be incorporated into the overall project performance monitoring information system established by the PMUs, following established reporting formats and schedules for project review, monitoring, and completion reports. The PMUs will be responsible for analyzing and consolidating the performance data assisted by the PIC social and gender specialists. 4. Monitoring tools: The PMUs and PIUs will be assisted by the PISC team in devising the monitoring indicators and reporting templates to assess social action plan progress. GAP implementation progress will be reported at least quarterly, using ADB's GAP progress reporting template.

^a ADB. 2012. *Vietnam: Country Partnership Strategy 2012-2015*.

ADB = Asian Development Bank, GAP = gender action plan, O&M = operation and maintenance, PIC = project implementation consultants, PIU = project implementation unit, PMU = project management unit.