

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Socialist Republic of Viet Nam	Project Title:	Additional Financing of Second Northern Greater Mekong Subregion Transport Network Improvement Project
Lending/Financing Modality:	Project Loan	Department/ Division:	Southeast Asia Department Transport and Communications Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Targeting classification: general intervention

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

The Government of Viet Nam is a major proponent of the transformation of the Greater Mekong Subregion (GMS) transport corridors into full-fledged economic corridors, and recognizes the importance of regional cooperation in facilitating economic growth and reducing poverty. The Viet Nam's 2011-2015 Socio-Economic Development Plan highlighted the importance of the transport sector in promoting economic growth, and poverty reduction. The SEDP envisioned a transportation system that promoted (i) competitiveness, (ii) integration and inclusion, and (iii) sustainability and safety.^a The Country Partnership Strategy aims to align with the priorities of the SEDP that intersect with Strategy 2020 as one of its key principles.^b

Thanh Hoa Province is the third largest province in Viet Nam. Of its population of 3.5 million in 2014, 11.9% live in urban areas. The provincial poverty rate in 2012 was 16.56%, compared to the national poverty rate of 9.6%.^c Poverty rates in 2014 were 6.2% in Ha Trung, 12.03% in Cam Thuy, and 18.26% in Ba Thuoc districts. Based on the government's poverty line of D400,000 per head per month in rural areas and D500,000 per head per month in urban areas, Ba Thuoc is one of the 62 poorest districts in Viet Nam.^d

The overall project will improve Highway 217 to better connect Thanh Hoa city and its environs with the Lao People's Democratic Republic (Lao PDR) through the Na Meo border crossing to boost cross-border trade, as well as connectivity with Thailand. The improved road will also improve local trade, agriculture, education and health, and gender equality, and will ultimately help improve the income of the project population living in the province, especially in the five districts through which the project road passes.

B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

- Key poverty and social issues.** The main objectives of the overall project are economic development and poverty reduction through improved transport infrastructure and better connectivity with rural areas. Highway 217 interconnects five of the 24 districts of Thanh Hoa Province through the Ha Trung city and Na Meo, the border with Lao PDR. Improvement of Highway 217 will encourage more traffic and increased cross-border trade between Viet Nam and Lao PDR. The better connectivity will create better market access and better prices for local producers, as well as lower prices of imported input goods and materials. The overall project therefore has a long-term poverty reduction impact on the resident population in the five districts, as well as in adjoining parts of the province. The main causes of poverty in the province include the following: lack of infrastructure and basic services, physical isolation, mountainous terrain, lack of transportation access to urban centers, low labor productivity, ill health among residents of the project areas, and poor job skills. Poverty is widespread among ethnic minority groups, as they live in remote mountainous areas without all-weather connectivity.
- Beneficiaries.** The residents in Cam Thuy town and Ba Thuoc and Ha Trung districts will benefit most from the project due to improved access.
- Impact channels.** Travel to and from work, school, and other facilities such as hospitals will be reliable, safer, and more convenient for residents and those who do business in the five project districts.
- Other social and poverty issues.** None.
- Design features.** The impact and outcome statements for the overall project will remain unchanged since the additional financing will help the current project achieve its development objectives. The impact will be increased international trade on the GMS Northeastern Corridor, and the outcome will be efficient transport across the Lao PDR and Viet Nam border and on the project road sections of the GMS Northeastern Corridor.

II. PARTICIPATION AND EMPOWERING THE POOR

- Participatory approaches and project activities.** The project, through the implementation of the gender action plan (GAP), will promote equal job opportunities and equal pay for equal work at construction sites. It will include targets for the participation of women as community facilitators, beneficiaries, and unskilled laborers at construction sites.

<p>2. Civil society organizations. The Vietnam Women's Union will actively participate in the implementation of the GAP and resettlement and ethnic minority development plan (REMDP).</p> <p>3. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA): <input checked="" type="checkbox"/> Information gathering and sharing <input checked="" type="checkbox"/> Consultation <input type="checkbox"/> Collaboration <input checked="" type="checkbox"/> Partnership</p> <p>4. Participation plan. <input checked="" type="checkbox"/> Yes. The plan is reflected in the REMDP and the GAP. <input type="checkbox"/> No.</p>
III. GENDER AND DEVELOPMENT
Gender mainstreaming category: effective gender mainstreaming
<p>A. Key issues. The gender issues identified in the project include the following: (i) unsafe roads for women and children to access markets, schools, and hospitals; (ii) few employment opportunities during civil works for disadvantaged women (since those with small children or sick family members cannot migrate for factory jobs); (iii) lack of knowledge to prevent HIV/AIDS transmission and human trafficking; and (iv) stakeholders' limited awareness on gender and development issues during the implementation of transport projects. Under the current project, the implementation of the GAP has progressed slowly. In March 2015, the midterm review mission and Project Management Unit 1 (PMU1) of the Ministry of Transport (one of the implementing agencies) assessed that it would be difficult to achieve one of the performance targets—having women comprise 25% of unskilled laborers during civil works—due to (i) the remote geographical location of some construction sites, (ii) other available employment opportunities offering higher income, and (iii) a lack of proactive measures undertaken by both contractors and PMU1 to hire women. Thus it was agreed with the PMU1 to reduce the performance target of the female local labor recruitment for civil work from 25% to 15%; this change was approved in May 2015. PMU1 appointed a gender focal point in May 2015 and engaged a national gender consultant in July 2015 to promote full implementation of the GAP.</p>
<p>B. Key actions. <input checked="" type="checkbox"/> Gender action plan <input type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure</p> <p>The overall project will incorporate gender features. The GAP has been prepared based on lessons learned from the current project. The overall project will encourage women to participate in the planning, implementation, and monitoring of project activities, particularly activities related to increasing community road safety awareness and educating women on how to prevent HIV/AIDS transmission and human trafficking. Bidding documents for road civil works will include a requirement that encourages contractors to hire more women as unskilled laborers. Moreover, a gender-sensitive design will be incorporated in project road designs. The GAP includes the following provisions: (i) road shoulders in villages will be sealed, (ii) speed bumps in crossing spots will be provided, and (iii) road safety sign boards will be installed in key spots. In parallel, an HIV/AIDS awareness and human trafficking prevention program will be provided in 12 communes located along the project road sections to reduce risks of HIV/AIDS transmission to women (more details are in part C of section V: Communicable Diseases and Other Social Risks).</p>
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES
<p>A. Involuntary Resettlement Safeguard Category: <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p>
<p>1. Key impacts. About 1,500 households will be affected under the project. An estimated 76 households will be required to relocate, and 105 households may lose a significant amount of paddy land due to the proposed flyover in Ha Trung and proposed realignment in Cam Thuy and Ba Thuoc. About 21 hectares of agricultural land, 9 hectares of residential land, and 3 hectares of forest land will have to be acquired from the affected households. Around 60 hectares of government-owned land, such as irrigation land and canals, will also be affected.</p>
<p>2. Strategy to address the impacts. Meaningful consultations have been carried out during the preparation of the REMDP and will continue during project implementation. Copies of resettlement information booklets were distributed to the affected households in July 2015. During the detailed design phase, measures to avoid or minimize impacts will continue to be considered through consultation and participation of the affected households, local authorities, and other concerned agencies. The grievance redress mechanism established under the current project will be strengthened with clear responsibilities and reporting requirements, and the required staff and budget will be allocated to support the proper functioning of the grievance redress mechanism.</p>
<p>3. Plan or other Actions. <input checked="" type="checkbox"/> Combined REMDP</p>
<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI</p>
<p>1. Key impacts. Ethnic groups in the project areas include Dao, Kinh, Mong, Muong, and Thai. The adverse impacts and benefits the ethnic groups may experience will not be different from those of the Kinh and other vulnerable households, and it is unlikely that members of the ethnic groups will be disadvantaged or vulnerable</p>

because of their social or cultural identity. The local communities in general and ethnic groups in particular, will have better access to basic services, markets, and livelihood opportunities. Other social risks and impacts on ethnic groups are presented in detail in section V: Addressing other Social Risks.

Is broad community support triggered? Yes No

2. **Strategy to address the impacts.** See para. 2 of section IV.

3. **Plan or other actions.** Combined REMDP, GAP, and HIV/AIDS prevention and anti-trafficking program.

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market

1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L).

unemployment underemployment retrenchment core labor standards

2. **Labor market impact.** Core Labor Standards (CLS) requirements will be included in the civil works bidding documents and contracts and adherence to CLS will be monitored and reflected in the project's progress reports.

B. Affordability. None

C. Communicable Diseases and Other Social Risks

1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA):

Communicable diseases Human trafficking Others (please specify) _____

2. **Risks to people in the project area.** All three project districts are affected by high rates of HIV infection compared to the national rate of 0.2%: Cam Thuy district's is 1.2%, Ba Thuoc district's is 1.08%, and Ha Trung district's is 0.4%. In Ba Thuoc district, Thiet Ong and Dien Lu communes are the hot spots for HIV/AIDS and/or STIs, as a hydropower plant was constructed there during 2009-2013. Increased connectivity will facilitate migration and therefore increase the transmission risk of HIV/AIDS and/or STIs, and the trafficking of girls and young women. To address these risks, the HIV/AIDS prevention and anti-trafficking program has been prepared targeting (i) construction workers, (ii) truck drivers, (iii) female sex workers, and (iv) local communities around construction sites.

VI. MONITORING AND EVALUATION

1. **Targets and indicators.** Targets under the project include (i) improved road safety, (ii) female workers hired as unskilled laborers, (iii) the inclusion of female facilitators in the implementation of the community road safety awareness program and the HIV/AIDS prevention and anti-trafficking program, and (iv) the participation of women in the planning, implementing, and monitoring of project activities.

2. **Required human resources.** The gender focal point appointed under the current project by PMU1 will continue providing services while gender and HIV consultants will be hired as part of the construction supervision consulting team.

3. **Information in the project administration manual.** The planned GAP, community road safety awareness program, and the HIV/AIDS prevention and anti-trafficking program are included in the project administration manual.

4. **Monitoring tools.** PMU1 will, with assistance from construction supervision consultants, monitor the GAP, the community road safety awareness program, and the HIV/AIDS prevention and anti-trafficking program, and will submit progress reports to ADB on a quarterly basis. In addition, the implementation of the REMDP will be monitored by an external monitoring agency, which will make progress reports to PMU1 and ADB on a semi-annual basis.

^a Ministry of Planning and Investment. 2011. *Socio-Economic Development Plan, 2011–2015*. Ha Noi (November).

^b ADB. 2012. *Country Partnership Strategy: Viet Nam, 2012-2105*. Manila.

^c Ministry of Labour, Invalids and Social Affairs. 2013. *Decision 749/QD-LDTBXH*. Ha Noi.

^d Ministry of Transport. 2015. *Assessment on Social, Ethic Poverty Analysis and Gender Action Plan, Hanoi Volume III*. Hanoi