

# Viet Nam: Integrated Rural Development Sector Project in the Central Provinces - Additional Financing

| Project Name  | Integrated Rural Development Sector Project in the Central Provinces - Additional Financing  |  |  |
|---|--|--|--|
| Project Number  | 37097-044  |  |  |
| Country   | Viet Nam   |  |  |
| Project Status  | Active   |  |  |
| Project Type / Modality of Assistance                         | Loan   |  |  |
| Source of Funding / Amount                                    | Loan 3173-VIE: Integrated Rural Development Sector in the Central Province - Additional Financing  |  |  |
|   | concessional ordinary capital resources lending / Asian US\$ 85.00 million Development Fund  |  |  |
| Strategic Agendas   | Environmentally sustainable growth<br>Inclusive economic growth<br>Regional integration  |  |  |
| Drivers of Change   | Knowledge solutions<br>Partnerships  |  |  |
| Sector / Subsector  | Agriculture, natural resources and rural development - Agricultural drainage - Irrigation - Rural flood protection Transport - Road transport (non-urban)  |  |  |
| Gender Equity and Mainstreaming                               | Effective gender mainstreaming   |  |  |
| Description   |  |  |  |
| Project Rationale and Linkage to<br>Country/Regional Strategy |  |  |  |
| Impact  | Improved livelihoods, incomes, and standards of living for the region's rural population through increased agricultural productivity, wider employment opportunities, improved health and education levels, and reduced exposure to natural disasters.   |  |  |
| Project Outcome   |  |  |  |
| Description of Outcome  | Improved quality, greater coverage, and better integration of rural infrastructure in the Central Region with an increased awareness for the need for O&M.   |  |  |
| Progress Toward Outcome                                       | It is too early to assess.   |  |  |
| Implementation Progress                                       |  |  |  |
| Description of Project Outputs                                | A significant amount of the rural and coastal infrastructure in the project provinces is rehabilitated, upgraded, and maintained. Improved capacities of national and provincial staff in technical design and farmers in agricultural production techniques. Improved project management skills for infrastructure development. |  |  |

Status of Implementation Progress (Outputs, Activities, and Issues)

- 1. Output 1:
- 663 km of rural roads rehabilitated with 77 rural road subprojects
- 47 irrigation and drainage schemes covering about 120,838 ha rehabilitated
- -\_20 markets and 9 rural water supply schemes and 9 flood protection schemes constructed or rehabilitated.
- -\_80 Community Supervision Boards established in 6 provinces. There are 141 women/364 members (38.74%)
- 2. Output 2:
- $-\bar{A}$ ,105 provincial staff including 1,437 women (35%) were trained in technical topics, safeguard matters, and participatory techniques.
- -\_Training on dam safety in Binh Thuan (10 women/44 participants, 23%), in Phu Yen (11 women/44 participants, 25%), in Thua Thien Hue ( 11 women/43 participants, 26%). There are 32 women/131 participants (24%)
- -\_By 31/12/2016, Binh Dinh and Binh Thuan had conducted 72 training courses for 2,504 farmers, including 1,088 women (43.45%). In which: (i) Binh Dinh: 8 training courses, 197 women/400 farmers, 49.25%; (ii) Binh Thuan: 64 training courses, 891 women/2,104 farmers, 42.35%.
- 3. Output 3:
- -\_377 provincial staff including 98 women (26%) were trained in project management and supervision (lower than women target, which is at least 30%)
- -\_27 training courses conducted with 1,285 participants, in which there were 403 female participants (31.4%). This included 1 training course on procurement.
- -\_72 central and provincial procurement staff including 12 women (16.7%) were trained in ADB's new procurement procedures and requirements.

**Geographical Location** 

## **Safeguard Categories**

| Environment              | В |
|--------------------------|---|
| Involuntary Resettlement | В |
| Indigenous Peoples       | В |

## **Summary of Environmental and Social Aspects**

| Environmental Aspects    | The safeguard categorization is B for environment, involuntary resettlement and indigenous peoples. Initial environmental Examination was conducted for a sample subproject and concluded no major adverse impacts as most of the works entail the rehabilitation and upgrading of existing small and medium scale rural infrastructure. The EARF has been updated for the additional financing to describe the detail implementation procedures and be in line with the ADB's Safeguards Policy Statement 2009. |
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# Stakeholder Communication, Participation, and Consultation

During Project Design

During Project

Implementation

# **Business Opportunities**

#### Consulting Services

Consulting services to be financed with the additional financing includes recruitment of (i) baseline and end-line surveys consultant, (iii) financial audit, and (iv) subproject completion audit. CPMU will be responsible for recruiting a baseline and end-line surveys consultant (FBS) and financial audit (FBS). Consulting services for feasibility studies, detailed design and construction supervision consultant will be financed by the counterpart fund and the Government's procurement procedures will be applied for recruitment of these consultants.

To advance the preparation of the SIRs and detailed design, the government and the Mission have a shared view that loan savings (about \$1.7 million as of 28 August 2013) should be used to explore using the existing contract of Loan Implementation Consultant (LIC) to extend its engagement and expand its TORs to include the additional experts to assist PPMUs and CPMU to prepare each subproject. The scope of the additional inputs is being assessed for initial discussion with the ADB to assess the suitability of the contract variation for the existing LIC. To increase the procurement capacity and efficiency following the measures will be adopted: (i) numbers of packages and lots for the civil works to the extent possible; introducing the one-stage, one-envelope procedure to increase financial competition; and (iii) assigning addition procurement staff from PPMUs and DARDs during the bid preparation and evaluation stage; and (iv) providing procurement training by VRM to update the CPMU and PPMUs' knowledge on the revised procurement procedures.

On eligibility, national sanction lists may only be applied with the approval of ADB. A firm declared ineligible by ADB cannot participate in bidding for an ADB financed contract during the period of time determined by ADB. The CPMU/PPMUs shall carry out assessments of SOE eligibility during the evaluation of expressions of interest. This will be done regardless of the selection method used, and will include eligibility assessments as part of the recommendations for the shortlisted firms. The CPMU shall validate the assessment done by the PPMUs.

#### Procurement

International competitive bidding procedures will be used for civil works contracts estimated to cost \$5.0 million or more, and supply contracts valued at \$500,000 or higher. National competitive bidding (NCB) will be used for civil works contracts between \$5.0 million and \$500,000 and for supply contracts for procurement of goods between \$500,000 and \$100,000. Shopping will be used for contracts for procurement of works and goods worth \$100,000 and below.

Before the start of any procurement ADB and the Government will review the public procurement laws of the central and state governments to ensure consistency with ADB's Procurement Guidelines.

# **Responsible Staff**

| Responsible ADB Officer                              | Ho, Phong Le   |
|--|--|
| Responsible ADB Department Southeast Asia Department |  |
| Responsible ADB Division                             | Viet Nam Resident Mission  |
| Executing Agencies                                   | Ministry of Agriculture and Rural Development<br>DUNGMAILING@YAHOO.COM<br>3rd Floor,Agricultural Exhibition Center<br>No.2, Hoang Quoc Viet Str.,Cau Giay Dist |

#### **Timetable**

| Concept Clearance   | -                          |
|---------------------|----------------------------|
| Fact Finding        | 15 Aug 2013 to 30 Aug 2013 |
| MRM                 | 27 Mar 2014                |
| Approval            | 20 Oct 2014                |
| Last Review Mission | -                          |
| Last PDS Update     | 17 Mar 2017                |

## Loan 3173-VIE

| Milestones  |              |                  |             |         |        |
|-------------|--------------|------------------|-------------|---------|--------|
| Annroval    | Signing Date | Effectivity Date | Closing     |         |        |
| Approval    | Signing Date | Effectivity Date | Original    | Revised | Actual |
| 20 Oct 2014 | 23 Jan 2015  | 22 Jun 2015      | 30 Jun 2019 | -       | -      |

| Financing Plan |                                | Loan Utilization           |       |        |                |
|----------------|--------------------------------|----------------------------|-------|--------|----------------|
|                | Total (Amount in US\$ million) | Date                       | ADB   | Others | Net Percentage |
| Project Cost   | 92.50                          | Cumulative Contract Awards |       |        |                |
| ADB            | 85.00                          | 20 Oct 2014                | 58.03 | 0.00   | 76%            |
| Counterpart    | 7.50                           | Cumulative Disbursements   |       |        |                |
| Cofinancing    | 0.00                           | 20 Oct 2014                | 12.79 | 0.00   | 17%            |

| Project Page  | https://www.adb.org/projects/37097-044/main |
|---|---|
| Request for Information http://www.adb.org/forms/request-information-form?subject=37097-044 |   |
| Date Generated  | 06 July 2017                                |

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