

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Viet Nam	Project Title:	Additional Financing of the Integrated Rural Development Project in the Central Provinces
Lending/Financing Modality:	Sector Project	Department/ Division:	Southeast Asia Department/ Viet Nam Resident Mission

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Poverty targeting: General intervention

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

The additional financing will continue removing constraints for increasing agricultural and rural productivity by upgrading underdeveloped or outdated productive rural infrastructure in six Central Provinces of Binh Dinh, Binh Thuan, Ha Tinh, Ninh Thuan, Phu Yen, and Thua Thien Hue. Overall the project is expected to contribute to regionally balanced and equitable economic growth by (i) supporting and stimulating agricultural production and diversification, (ii) improving access to market and employment opportunities, (iii) facilitating access to key social services, and (iv) improving rural infrastructure in coastal and mountainous communes to reduce widening gaps in living standards and economic opportunities. These objectives are in line with the government's Socio-Economic Development Strategy, 2011–2020; its current poverty reduction strategy, which is embedded in its Socio-Economic Development Plan, 2011–2015, and in the country partnership strategy, 2012–2015 of the Asian Development Bank (ADB) for Viet Nam. The strategic thrusts of the ADB strategy are based on the three pillars of (i) inclusive growth, (ii) enhanced economic efficiency, and (iii) environmental sustainability.^a The additional project funding directly supports Viet Nam's New National Target Program for New Rural Development and the National Target Program on Sustainable Poverty Reduction, 2012–2015.^b

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

1. Key poverty and social issues. Initial poverty and social analysis of the three representative subprojects identifies several issues: (i) in 2012, the poverty rate in the project area was 6.1%–15.7%; Binh Thuan with the lowest poverty rate of 6.07%^c and Phu Yen with the highest of 15.7%;^d (ii) the percentage of poor households in general, and ethnic minority households in particular, is significantly higher in remote communes and lower in urban or semi-urban subproject areas; (iii) while the overall poverty rate has declined, many near poor are vulnerable to natural disaster and could fall back into severe poverty; (iv) while rice yields have increased to 5 tons per hectare on average due to access to quality seeds and fertilizer, the farm-gate price is still lower than for other cash crops; farmers need to diversify agricultural practices to increase income; and (v) due to dilapidated productive rural infrastructure, farmers have difficulty diversifying.
2. Beneficiaries. The project's direct beneficiaries are the more than 300,000 residents (about 50% are female) in the subproject areas who will all have access to and thus benefit from the rehabilitated rural infrastructure. Poor rural communities are expected to benefit greatly, as the poverty rate is one of the subproject selection criteria.
3. Impact channels. The improved and/or upgraded rural infrastructure will benefit the poor and vulnerable groups by increasing agricultural intensity and diversity, and employment opportunities; reducing costs of rural production and marketing and loss of farming during flood and dry seasons; increasing incomes from both on- and off-farm employment; and providing safer and quicker access to production areas, markets, and social services.
4. Other social and poverty issues. Lack of access to credit constrains the poor in working to increase diversification. The national program (Prime Minister's Decision 54/2012/QD-TTg, 4 December 2012) has been providing credit to poor ethnic minority households.
5. Design features. The additional financing will support measures to minimize the need for land acquisition and resettlement, and to encourage the full participation of women and ethnic minorities in subproject selection and implementation. Poor women and ethnic minorities will be prioritized for labor wage jobs during the civil work.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Community participation including the poor and vulnerable has been an integral part of the project design. The commune supervision boards (CSBs) will play a key role in monitoring construction works. The ongoing project shows that the CSB's monitoring and supervision capacity tends to be stronger if more women participate. The provincial project management units (PPMUs) will undertake community mobilization to share lessons and encourage active community participation. Ethnic minorities and vulnerable people will be prioritized for unskilled labor for subproject infrastructure.
2. The role of civil society. The additional financing will continue collaboration with women's unions, at various levels, to mobilize women's participation and support them in benefiting from the project.
3. Civil society organizations. The social safeguard officers at the central project management unit (CPMU) and the PPMUs will continue monitoring implementation of the gender action plan (GAP) and CSB participation, and report to

ADB regularly. The loan implementation consultants will provide necessary support.

4. The following forms of civil society organization participation are envisaged during project implementation, and are rated medium: Information gathering and sharing Consultation Collaboration Partnership

5. Participation plan. Yes. The ongoing project already has a participation plan in place to facilitate and collaborate with local mass organizations, especially the local women's union, to ensure the affected households, the poor, vulnerable households, ethnic minority groups, and women participate and benefit from the project through implementation of the resettlement and ethnic minority development framework and GAP.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Effective gender mainstreaming

A. Key issues. GAP implementation for the ongoing project has made a significant contribution to promoting participation and benefits for women and gender equality in the project areas. The project made good progress in building women's capacity (e.g., community members on water, and health and sanitation; CSB members on supervision skills and works; staff of the CPMU and PPMUs on technical issues, safeguards, and project management). The project trained 4,105 provincial staff including 1,448 women (35%) on technical and safeguard issues (framework target of 25–30%), and 377 provincial staff including 99 women (26.3%) on participatory techniques (target of 30%). Female members in the selected CSBs and PPMUs proved to be more confident and assertive in their roles as supervisors and as PPMU staff members in influencing decision making in the PPMUs. Furthermore, the project brought positive impacts to women through increasing incomes via employment during civil works and increased yield of agricultural products as a result of improved irrigation and drainage schemes; and through better living and working conditions for project beneficiaries in general and women in particular by improving rural roads, providing safe water to houses, and improving markets with proper latrines. The lessons from the ongoing phase GAP implementation include (i) GAP targets should be realistically set to take into account the staffing composition of the PPMUs and training subjects; and (ii) GAP training should be included at an early stage of implementation to improve understanding of the GAP and ensure adequate sex-disaggregated data collection and reporting. Based on these lessons, GAP targets for the additional financing scope were discussed with the PPMUs and CPMU during the preparation and processing of the additional financing. GAP indicators related to training were modified to reflect the PPMU staffing composition, training (provincial, district, or commune, or combined) and training topics.

B. Key actions.

Gender action plan Other actions or measures No action or measure

Based on the lessons from the ongoing project, the following key actions are included (i) consult women separately and jointly during subproject identification and prioritization (40% of community members consulted were women); (ii) clearly identify and mitigate impacts on women and girls during subproject preparation; (iii) ensure preferential labor opportunities for poor and/or ethnic minority women (at least 30%); (iv) ensure women comprise at least 30% of CSB members; (v) ensure women comprise at least 40% of trainees in agriculture; and (vi) ensure women comprise 30% of provincial, district, and commune staff trained on project management, supervision, and safeguards.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: A B C FI

1. Key impacts. Most civil works will be undertaken in the existing right-of-way. Subproject screening criteria excludes any significant resettlement and land acquisition. The project will have very little permanent impact on land and community assets; although it will have some temporary impact on land, plants, and small structures during construction for selected subprojects.

2. Strategy to address the impacts. Any impacts on land, structures, and livelihood, either temporary or permanent, will be compensated according to the resettlement framework and approved entitlement matrix, resettlement and ethnic minority development plans (REMDPs) will be based on the resettlement and ethnic minority development framework (REMDF) for projects that trigger involuntary resettlement (IR) and indigenous peoples (IP) impacts.

3. Plan or other Actions.

- | | |
|---|---|
| <input type="checkbox"/> Resettlement plan | <input checked="" type="checkbox"/> Combined resettlement and indigenous peoples plan |
| <input type="checkbox"/> Resettlement framework | <input checked="" type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework |
| <input type="checkbox"/> Environmental and social management system arrangement | <input type="checkbox"/> Social impact matrix |
| <input type="checkbox"/> No action | |

B. Indigenous Peoples

Safeguard Category: A B C FI

1. Key impacts. While ethnic minorities will experience minor land and livelihood impacts, they will benefit from the project and construction works. A combined resettlement plan and indigenous people's plan was prepared following the combined resettlement framework and indigenous peoples planning framework.

Is broad community support triggered? Yes No

2. Strategy to address the impacts. A combined resettlement framework and indigenous people's planning framework was prepared. If issues related to indigenous peoples are identified in the subprojects, specialist input will be required to prepare subproject indigenous peoples plan (IPP) measures that are based on ADB's Safeguard Policy Statement (2009).	
3. Plan or other actions.	
<input type="checkbox"/> Indigenous peoples plan	<input checked="" type="checkbox"/> Combined resettlement plan and indigenous peoples plan
<input type="checkbox"/> Indigenous peoples planning framework	<input checked="" type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary
<input type="checkbox"/> Social impact matrix	
<input type="checkbox"/> No action	

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market. Not applicable

1. Relevance of the project for the country's or region's or sector's labor market.

unemployment underemployment retrenchment core labor standards

2. Labor market impact. Employment opportunities will be created for potential irrigation civil works and road improvement. The GAP specifies that operators will provide equal employment opportunities for women and allocate 30% of unskilled labor for women. All contracts will forbid hiring of minors. Health and safety standards will be adopted for all infrastructure.

B. Affordability. Not applicable

C. Communicable Diseases and Other Social Risks. None

VI. MONITORING AND EVALUATION

1. Targets and indicators. In addition to the GAP targets, social and poverty targets are (i) impact: (a) real average per capita incomes increase by 4% per year; and (b) household poverty rates are reduced by an average of 25% from 2013; and (ii) outcome: by 2018, income per hectare in the subproject areas with improved irrigation, flood control, and drainage facilities increased by 20% from 2014.

2. Required human resources. Additional financing will provide loan implementation consultants and operation budget for monitoring and evaluation.

3. Information in the project administration manual. Performance targets set in the design and monitoring framework and GAP, safeguard requirements, institutional responsibility for monitoring and evaluation, and progress-reporting requirements are described in the PAM.

4. Monitoring tools. Quarterly progress reports, ADB project review mission.

^a ADB. 2012. *Country Partnership Strategy: Vietnam, 2012–2015*. Manila.

^b Decision No. 1489/QD-Ttg, dated 8 October 2012.

^c The survey result of poor and near households in 2012 (Decision 749/QD-LDTBXH dated 13/5/2013 of MOLISA).

^d The result of poor and near poor household survey in 2012 (Decision No. 749/QD-LDTBXH, dated 13/5/2013 of MOLISA).

Source: Asian Development Bank estimates.