Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 10-Nov-2016 | Report No: PIDISDSC18607

Public Disclosure Authorized

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Parent Project ID (if any)	Project Name
Vietnam	P156849		Support for Autonomous Higher Education Project (SAHEP) (P156849)
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
EAST ASIA AND PACIFIC	Jan 18, 2017	May 09, 2017	Education
Lending Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	SOCIALIST REPUBLIC OF VIETNAM	Vietnam National University of Agriculture,Ministry of Education and Training,Hanoi University of Science and Technology,Industry University of Ho Chi Minh City,National Economic University	

Financing (in USD Million)

Financing Source	Amount
Borrower	19.78
International Development Association (IDA)	155.00
Total Project Cost	**174.78**

Environmental Assessment Category	Concept Review Decision
B-Partial Assessment	Track II-The review did authorize the preparation to continue

Other Decision (as needed)

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B. Introduction and Context

Country Context

1. Vietnam has recovered strongly since the economic downturn in 2011 with a Gross Domestic Product (GDP) annual growth rate of 6.8 percent in 2015.[1] Diminishing inflation, strong export growth, and expansion of foreign exchange reserves have all contributed to a reasonably stable macroeconomic environment. Vietnam's medium term outlook remains positive, but subject to risks. GDP is projected to grow by 6 percent in 2016 with inflationary pressures contained and the current account in balance. The fiscal deficit is projected to remain high this year but then tighten over the medium term, reflecting the government's fiscal consolidation plans. The baseline outlook is subject to external and domestic risks.

2. In 2010, Vietnam achieved lower-middle income status with a per capital income of over US$2,000, an indication that Vietnam has made remarkable progress in reducing poverty. The fraction of the population living in extreme poverty dropped to 3 percent in 2015[2] from 50 percent in the 1990s.[3] Overall, household expenditures continue to grow including in rural areas where expenditures have risen for households at every income level.[4] Vietnam has also achieved several Millennium Development Goals (MDGs): (i) eradicating extreme poverty and hunger; (ii) achieving universal primary education; and (iii) promoting gender equity in education. In an effort to continue its development achievements, the government developed the Socio-Economic Development Strategy (SEDS) 2011-2020, which emphasizes structural reforms, environmental sustainability, social equity, and macroeconomic stability. To realize these, the SEDS identified three breakthrough areas: (i) promoting human resources/skills development (particularly skills for modern industry and innovation); (ii) improving market institutions; and (iii) infrastructure development.

3. While achievement has been strong, implementation of the Socio – Economic Development Plan (SEDP), during the period 2011-2015, showed slow progress, which the updated version of the SEDP 2016-2020 acknowledges. The 2016 – 2020 document raised the issues of "slow improvement in education and training, science and technology, culture, social issues, health care and job creation". It also confirms key development indicators to be achieved by 2020, including the "ratio of trained labor of 65 – 70 percent". Exports remain dominated by "less sophisticated products with low value added and embodying modest technology."[5] This is particularly worrisome considering that Vietnam is joining several regional trade agreements, the latest of which is the Trans-Pacific Partnership. According to the Vietnam 2035 report, another concern is the downward trend of labor-productivity growth since the late 1990s, from nearly 7 percent in 1995 to 3.5 percent in 2013.[6] In addition, considering that the labor force is shifting "one chair over" to more productive segments of the economy,[7] skill requirements are rising. Improved competitiveness and greater value added are therefore essential to realizing the country's ambitious economic and social objectives.

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[1] General Statistics Office of Vietnam. 2015 Socio-Economic Statistics.
2 Vietnam Overview. World Bank. http://www.worldbank.org/en/vietnam/overview. Last updated Oct 5, 2015.

[3] Using the US$1.90 2011 purchasing power parity line
[4] Taking Stock, World Bank. December 2013. Page 48.
[5] Ibid. Page 8.
[6] Vietnam 2035 Executive Summary. World Bank. February 2016, page 20.
[7] The labor force is shifting from farming to informal, from informal to low-productivity formal, and from lower-productivity formal to high-productivity formal.

4. The rapid aging population starts to impact the labor force – the source of sustainable economic growth, necessitate new types of skills and different approaches in education. As of 2016, around 7 percent of the Vietnamese population, or around six and a half million people, are 65 years old or older, and over 10 percent are 60 and older. By 2040, the number of people 65 and older is projected to almost triple to 18.4 million, and to account for 17 percent of the population (UN 2015)[8]. The working age population of Vietnam is expected to shrink by around 5 percent as a share of total population between now and the early 2040s. This necessitates the creation of technology – based jobs which do not require a huge number of low-skilled workers as well as the generation of life science goods and elderly care services.

5. Vietnam has potentials to increase technology-based jobs, if it can quickly catch up with the world's current rapid changing technology revolution. . The fourth industrial revolution is now led by Internet of Things (IoT) which is a fast-growing constellation of connected "smart devices," from smartphones and household appliances to industrial robots and smart electrical grids. Meanwhile, Vietnam has a large local talented ICT workforce and good ICT infrastructure. The number of mobile users is 1.3 times higher than the population. Vietnam is one of world fastest ICT development countries, with 40 percent of population using Internet[9]. Global Innovation Index (GII) ranking of Vietnam has also improved from its raking at 76 in 2012 to 52 among 143 countries in 2015[10].

Sectoral and Institutional Context

Education sector

6. Vietnam has made significant achievements in enrolment and general education quality. The country has achieved universal preschool education for five-year-old children and primary education and is working towards achieving universal lower secondary education. Between 2001 and 2013, net enrollment rates at lower secondary and upper secondary levels increased from 70.0 percent to 88 percent and 33 percent to 58.5 percent respectively[11]. The number of students in higher education grew from 124,484 students in 1991 to over 2.2 million students in 2014. Enrollment over the period doubled roughly every five years, so that over 20 years the size of enrollment grew by nearly 17 times its original level[12]. Vietnam has also attained higher levels of student learning achievement. Its

[8] United Nations Population Division, 2015. World Population Prospects 2015 Revision. United Nations, New York.

[9] Source: Vietnam Internet Association statistics. Accessed at http://bnews.vn/so-luong-thue-bao-di-dong-o-viet-nam-cao-gap-1-3-lan-dan-so/4260.html on 20 October 2016

[10] The sources are "The Global Innovation Index 2012" and "The Global Innovation Index 2015" reports. The GII relies on two sub-indices, the Innovation Input Sub-index and the Innovation Output Sub-index, each built around key pillars. Five input pillars capture elements of the national economy that enable innovative activities: (1) institutions, (2) human capital and research, (3) infrastructure, (4) market sophistication, and (5) business sophistication. Two output pillars capture actual evidence of innovation outputs: (6) knowledge and technology outputs; and (7) creative outputs. Among the pillar indicators, the overall GII is the simple average of the Input and Output Sub-Indices, while the innovation efficiency ratio is the ratio of the Output Sub-Index over the Input Sub-Index.

[11] Source: Ministry of Education and Training (MOET).

[12] Calculated from the Education Yearbook 2015

performance on the 2012 Program for International Student Assessment (PISA)[13] surpassed the OECD country average and many developed economies.[14]

7. Despite impressive gains in access, higher education fails to meet demand for high-quality degree programs to provide the population with the skills and competencies needed today for producing greater value.[15] Nearly 50 percent of interviewed employers claimed that the education system did not meet skill needs of their workplace[16]. Research institutes and universities provide too little research, and what is produced is mostly not of sufficient quality and relevance for the economy's needs. Public universities are hampered by a lack of de facto autonomy, which impedes setting or changing curricula without external approval, raising adequate revenue, or developing full-time, high-quality faculty.[17]

8. Historically, universities and tertiary institutions were under the tight control of the ministries to which they reported. Academics, hiring, budget, enrollment, and tuition were all centrally controlled. In 1996, two National Universities in Hanoi and Ho Chi Minh City were the first institutions entitled to special autonomy rights. With stipulations in the Law on Education in 2005 and the Law on Higher Education in 2012, Vietnam has sought to further loosen these stricture so that institutions are free to create higher quality programs, raise and manage the revenue they need to do this, be free to hire and pay faculty, and enroll students as the given institutions deem best. This freedom is expected to create a more responsive, more differentiated, and higher quality offer of degree program. Inter-institutional competition is meant to be a main driving force of improvement as autonomous universities compete to offer students the most valuable and relevant programs.

9. To take a further step, the Government issued Resolution 77/NQ-CP dated 24 October 2014 to give more autonomy to 14 pilot universities[18] during the 2014 – 2017 period. These universities do not have to report to any line agencies on (i) the number of students they enroll; (ii) the courses and degree programs that they can offer to its students; and (iii) the compensation that is provided to the faculty and staff members of the universities. They also enjoy higher financial autonomy with regard to higher tuition fee caps and freedom in revenue-generation decisions by the rectors. These institutions are now entitled to higher level of freedom than the two national universities.

10. While the regulation clearly stipulates that pilot autonomous universities can do activities under three categories: academics, personnel and management, it is essential that universities are provided with needed resources to implement the autonomy rights in an efficient way. Firstly, they should have sufficient infrastructure for teaching and learning. The improvements in infrastructure make up for long neglect of the investment by the GoV in the public universities. While enrollment increases 17 folds, investment in physical facilities has been nearly unchanged and around 24 percent of public expenditures for higher education or 3 percent of total public expenditures for

[13] Vietnam scored 511 (17th place out of 65 tested countries) on math, 508 on reading (19th place), and 528 on science (8th place).
[14] OECD. 2012. PISA 2012, Result in focus retrieved from www.oecd.org/pisa/.../pisa-2012-results-overview.pdf.
[15] Skilling Up Vietnam: Preparing the Workforce for the Modern Market Economy, World Bank. November 2013
[16] World Bank's Skills Towards Employability and Productivity (STEP) survey in Vietnam 2012
[17] Vietnam Report 2035
[18] Three more universities are waiting for their pilot proposal approved.

education[19]. The three universities that will receive the main investments have seen enrollment increase peaked at around 13 – 20 percent p.a. in the 2010s, while physical space has nearly unchanged. Consequently students in the Vietnam National University of Agriculture (VNUA) and the Industry University of Ho Chi Minh City have to study in two - three shifts a day. Practice labs have been used at 300 percent capacity. In addition lab equipment and facilities are outdated and insufficient. Due to the lack of equipment, a practice group of 25 students at VNUA normally have to share equipment for an experiment lesson that should be used by only 3 – 5 students at a time.

11. Beyond physical infrastructure, the project will promote improvements to research, teaching, and management at the key institutions. Improvements to research will come both from new laboratories and equipment but also from the strengthening of the organization of research, its integration into the universities, and the dissemination of results. One key to this will be strengthening group-based research through the formal recognition of research groups and the monitoring of research productivity in a systematic way. Baselines will establish productivity for individuals and groups in terms of both applications for and success rates for grants from national and international sources, along with a careful documentation of research outputs, including manuscript submission to national and international journals, patents, conferences, and collaborations. In addition, peer review committees for each institution will provide technical support for research groups in doing research, transferring research results to teaching programs, and improving quality of research products, for example, writing ISI/Scopus papers. And the annual Research Week will be an opportunity.

12. Teaching in Vietnamese universities has been criticized as static and in some cases irrelevant to the future work challenges of graduates. Improvements to teaching will be linked to program accreditation and to ensuring the "positive contamination" of other programs in the given institution by the experience of accreditation of the leading programs. Some measurements used in the accreditation process will be generalized and measured beyond the programs directly undergoing accreditation. For example, the existence or "graduate profiles" in all programs will be an indicator of the extent to which faculty engage in periodic updating of course and degree program content and goals.

13. With respect to management, the Project seeks to leverage some concrete steps toward greater engagement of central university authorities with the key issues that affect quality of research and teaching. A frequent complaint in universities in Vietnam is that research equipment is not maintained: under the Project each university will need to show how it is allocating appropriate budgets for maintenance for scientific equipment at the department, faculty, and institute level.

14. In addition, each university will produce an annual "uses of autonomy report." Drawing on the agenda of both the University Councils and the Faculty Senate, the report will consider how the newly-granted freedoms under the autonomy laws are being put into practice in the specific institution. It will opine on the success to date of such things as improved revenue generation, faculty recruitment and development, student recruitment and planning, etc.

15. The following paragraphs will provide more information about the three universities that will receive investment from the project for implementing their autonomy.

[19] Source: Calculated from MOF data for the 2009 – 2012 period for the Vietnam Public Expenditures Review 2016.

Vietnam National University of Agriculture

16. Vietnam National University of Agriculture (VNUA) is one of leading HEIs in training and research for agriculture and rural development[20]. After sixty years of development, VNUA has 15 faculties, 5 research institutes and 16 research centres with more than 70 disciplines. It has 27 undergraduate programs in 49 disciplines, 19 masters programs and 16 doctorate programs, two advanced programs collaborated with American universities, and two masters programs collaborated with Belgium universities. The university has more than 25,000 undergraduate students and more than 3,000 postgraduate students. It has an annual average of about 40 R&D contracts with businesses, 20 research contracts with the government and 30 research contracts with ministries.

17. VNUA was granted autonomy status in 2015 under Decision No. 873/QD-TTg dated June 17, 2015 to actively exploit both internal and external resources efficiently, to innovate and improve training and research quality with an aim at becoming an internationally and regionally recognized multidisciplinary agriculture research based university while ensuring education accessibility for disadvantaged students such as poor or ethnic minority ones. It is expected that the Government will issue new regulations based on lessons learnt.

Hanoi University of Science and Technology (HUST)

18. Hanoi University of Science and Technology (HUST) was established in 1956. HUST has three faculties and 21 training institutes, eight research institutes and six research centers. It has 78 undergraduate programs (including 30 engineering programs and 48 bachelor degree programs), 27 advanced undergraduate programs, 46 master programs and 39 doctorate programs. In 2015 HUST has more than 30,000 undergraduate students, and about 4,000 post graduate students. The University has been considered as the leading science and technology research and education institution in Vietnam. HUST ranks the fourth among Vietnamese institutions in terms of the highest number of International Scientific Index (ISI) publications in the last five years[21].

19. In order to implement its autonomy and university development plans, HUST wants to prioritize investment in two areas which are the combination of selected faculties and institutes: Electrics – Electronics – Automation, Electronical Mechanics and Materials Technology. Electronics, automation and mechanics are interlinked with each other and go in line with the current Fourth Industry Revolution on smart devices and Internet of Things. Their products are crucial for the manufacturing of machines, automobiles, airplanes, ships, telecommunication equipment, medical devices and home appliances. The advanced materials technology will contribute to the modern processing of natural resources, while the bio materials create a foundation for advancements in energy, construction, transportation, and health care.

Industry University of Ho Chi Minh City (IUH)

20. The Industry University of Ho Chi Minh City (IUH) was established about 60 years ago. Starting from an industrial vocational college, the institution has now become a multi-discipline university. IUH has 16 faculties, two research institutes and two training centers. IUH has 32 undergraduate programs, 14 advanced undergraduate programs, 29 vocational programs, and two KOSEN vocational programs. In 2015, IUH had 31,325 undergraduate and postgraduate students, including 27,140 undergrads, 3,451 vocational college students and 464 postgraduate

[20] Source: National Agency for Science and Technology Information.
[21] Source: National Agency for Science and Technology Information (NASATI), accessed to Web of Science on 31 March 2016

students. IUH is one of biggest universities under Ministry of Industry and Trade (MOIT) in terms of number of students. The university was approved as a pilot autonomous university in 2015. The university has made investment in quality assurance and will be one out of the first four universities in Vietnam receiving the national institutional accreditation certificate in 2016. Its ten-year plan is to be in the top 20 leading universities in Vietnam and has at least one discipline in the top 50 regionally-recognized disciplines. The university is also preparing for the accreditation of six ABET[22] programs and nine AUN[23] programs in the next five years.

21. In order to achieve those international qualifications, the university needs to further enhance its teaching and research capacity. They find it essential to expand its campus from the current squeezing 2 ha location to a new 26.7 ha premises. While it is planned that construction works under the World Bank project cover about 6 ha, it is required to acquire the entire 26.7 ha of land because this area includes the whole campus area of the University and a resettlement site to be constructed for relocated households who are living in the campus area. This area will be acquired and compensated in compliance with the resettlement action plan to be prepared and agreed with the Bank and Borrower. The resettlement cost will be borne by the university.

Relationship to CPF

22. The proposed project is directly aligned with the 2012-2016 Country Partnership Strategy (CPS) for Vietnam. The CPS' strategic framework stands upon three "pillars" - competitiveness, sustainability, and opportunity - and the proposed project relates to both Competitiveness Outcome 1.3 and Opportunity Outcome 3.2. Outcome 1.3 seeks to increase Vietnam's "capacity for innovation and value addition."[24] The project will strengthen the research and training capacity of key universities as models of autonomous universities. It will help universities to conduct more innovative and commercialized research projects which directly linkages with and serve the industry and farmers to create value added and competitive products. In addition the improved teaching programs will help students learn skills closed to their job world and can find better and more relevant jobs. For universities themselves, the improved management quality will help them streamline their costs, make more value-for-money investments to generate higher net income, which makes them more competitive with their peers in attracting high quality students.

23. Outcome 3.2 focuses on "basic infrastructure and public service delivery and access". The project will provide improved quality teaching services for students at participating universities. This is especially crucial for poor students to get access to quality higher education. The industry sector also benefit from an improved workforce who will graduate from participating universities. There are more chances for small and medium sized companies and startups who can make use of technology transfer from universities for their production. In addition, it will provide services to farmers, agriculture officials, and extension workers in forms of training, technology transfer and knowledge sharing. Ultimately, this will contribute to the increase in value and competitiveness of agricultural

[22] ABET stands for Accreditation Board for Engineering and Technology. This is a US Accreditation organization provide accreditation services for engineering and technology education programs.
[23] AUN stands for ASEAN University Network. The organization provides accreditation services at program and institutional levels.
[24] *Country Partnership Strategy for the Socialist Republic of Vietnam for the Period FY12-FY16*, World Bank. November 2011. Page 22.

products which are resilient to climate change, leading to improved livelihoods, economic integration and education opportunities for people in rural and mountainous areas.

C. Proposed Development Objective(s)

The project development objective (PDO) is to improve research, teaching, and institutional capacity at selected universities and strengthen national higher education systems.

Key Results (From PCN)

24. The following key indicators will be used to define and measure the progress towards the achievement of the PDO:
    (a) Thirty five education programs will be accredited by the ASEAN University Network (AUN), or American Board of Engineering and Technology (ABET)
    (b) The research readiness index of participating universities increase. Given the fact that it takes time to have recognized research products, the index is a composition of indicators which demonstrate that universities have been prepared and/or ready for achieving research results. For example, the number of manuscripts submitted to ISI journal for review, the increase in number of research proposals submitted for international funding resources, and so on.
    (c) Three institutional accreditation certificates will be granted to participating universities by the end of the project

D. Concept Description

Component 1: Improving teaching, research and management of key autonomous universities – US$168 million

25. This component will aim at strengthening teaching, research and management capacity of key autonomous universities through improving their infrastructures and quality assurance process. In particular, Vietnam National University of Agriculture (VNUA), Hanoi University of Science and Technology (HUST) and Industry University of Ho Chi Minh City (IUH) have been selected to receive significant investment to build up capacity of their selected important disciplines and faculties. Meanwhile the National Economic University (NEU) is entrusted to take lead in the development of a digital library consortium to be shared among economic and selected science and technology universities in Vietnam. Each university will be responsible for the implementation of their own component.

Subcomponent 1a: Improving teaching, research and management of VNUA (estimated US$54.2 million of which US$50 million IDA)

26. *Subcomponent 1a.1: Enhancing quality and relevance of research*: This subcomponent will aim at improving the university's research capacity to enable the university's researchers to conduct high-quality research and development in agriculture and to provide technology transfer to agriculture stakeholders for the agricultural modernization process. It will also contribute to the increase in the amount and quality of basic and applied research to enhance international publications.

27. This subcomponent will include activities to (i) support selected competitive financing for joint research with international experts in research areas that the university needs to get international expertise; (ii) hire international

experts as peer reviewers to support researchers in writing ISI publications; (iii) organize short-term professional training courses for staff/researchers; (iv) Increase lecturers/researchers' exposure to international research community through exchange programs, short- term training, research weeks and international conferences; (v) provide research resources; (vi) expand participation in domestic and international research networks; (vii) training and technology transfer for farmers; (viii) develop a cooperation mechanism with commercial organizations; (ix) commercialized joint research programs including consortia; (x) company participation in curriculum development and training; and (xi) construction of a Center of Excellence for Agriculture and Life Sciences with lab space and equipment for shared use.

28. *Subcomponent 1a.2: Enhancing quality and relevance of teaching*: This subcomponent is aimed at upgrading or developing teaching infrastructure and undergraduate-, post graduate-, and professional-oriented training programs to improve the training quality for students, providing them with relevant working and business skills, meeting demands of the local and regional labor markets.

29. This subcomponent will support (i) revision of training curricula and programs with student profiles updated; (ii) accreditation for curricula/programs to be updated under the project; (iii) undertaking of collaborative activities with internationally recognized leading universities on mutual credit recognition and student/lecturer exchange; (iv) lecturers' participation in short-term professional and English-proficiency training courses (v) construction of a lecture hall, working buildings for selected faculties, including simple research labs, IT, and foreign language labs, and practice rooms for students; (vi) construction of demonstration areas including net houses, green houses, and demonstration fields at the university campus; and (vii) development of labs, practice rooms, and office equipment for students and lecturers.

30. *Subcomponent 1a.3: University governance, knowledge sharing, and project management*: The objective of this subcomponent is to strengthen the governance system of the university to implement the university's autonomy decision and development strategy towards a leading autonomous agriculture research-based university in the region. Knowledge sharing and project management activities are also financed.

31. This subcomponent will fund for (i) development of a management information system for improved university administration and management; (ii) training on administration and governance skills for managers and administrative staff; (iii) domestic study visits to advanced/well managed universities; (iv) development/update of governance regulations and mechanism of the university; (v) hiring of international experts on university governance; (vi) construction of a university administration building and lecture hall and related internal transport and utilities system; (vii) consultancy for design and construction supervision; (viii) project communication; (ix) project monitoring and evaluation, including the "uses of autonomy" reports; (x) facilitation of a forum for agro-forestry and fishery universities; (xi) autonomy progress reporting; and (xii) independent audits.

Subcomponent 1b: Improving teaching, research and management of HUST (estimated US$50 million of which US$45 million)

32. *Subcomponent 1b.1: Enhancing quality and relevance of research*: This subcomponent will aim at improving the university's research capacity in two combined areas: Electrics – Electronics – Automation, Electronical Mechanics and Materials Technology with an aim that new research labs and facilities accompanied with better trained and

practiced research staffs will help HUST researchers and postgraduate students conduct more advanced basic research in these fields.

33. This subcomponent will (i) fund for research programs; (ii) send staff/researchers to attend exchange programs, short- term training, and international conferences; (iii) establish multi-discipline research groups; (iv) fund for research projects; (v) organize research weeks; and (vi) construct a combined lab building and procure related lab equipment for these three areas. It is required that labs will be designed and constructed following lab safety requirements at least by national standards.

34. *Subcomponent 1b.2: Enhancing quality and relevance of teaching*: This subcomponent is aimed at upgrading or developing programs to improve the training quality for students, providing them with relevant working and business skills, meeting demands of the local and regional labor markets.

35. Inputs for this subcomponent will be (i) revision of training curricula and programs with student profiles updated; (ii) accreditation for curricula/programs developed under the project; (iii) lecturers' participation in short-term professional training courses or events; (iv) construction of additional office floors for lecturers and research students, (v) construction of teaching labs; and (vi) procurement of lab and office equipment.

36. *Subcomponent 1b.3: University governance, knowledge sharing, and project management*: The objective of this subcomponent is to strengthen the governance system of the university to implement the autonomy program and university development strategy towards a leading autonomous engineering and technology research-based university in the region. Knowledge sharing and project management activities are also financed.

37. Inputs for this subcomponent will be (i) upgrading/integration of a management information system for improved university governance; (ii) consultancy for design and construction supervision; (iii) project monitoring and evaluation, including the "uses of autonomy" report; (iv) project communication; (v) autonomy progress reporting and (vi) independent audits.

Subcomponent 1c: Improving teaching, research and management of IUH (estimated US$52.8 million of which US$45 million IDA)

38. *Subcomponent 1c.1: Enhancing quality and relevance of research*: This subcomponent will aim at improving the university's research capacity to enable the university's researchers to conduct high-level research and development in industry-related areas, including bio materials, food processing, computer science and electronics, and industry environment protection. It also supports for technology transfer and product commercialization activities.

39. Inputs for this subcomponent will be (i) capacity building for lecturers and researchers (ii) establishment of and support for research groups; (iii) development of a cooperation mechanism with commercial organizations; (iv) commercialized joint research programs including consortia; (v) company participation in curriculum development and training; and (vi) construction of lab buildings with possible lab space and equipment saving and sharing.

40. *Subcomponent 1c.2: Enhancing quality and relevance of education*: This subcomponent is aimed at upgrading or developing teaching infrastructure and training programs to improve the training quality for students, providing them with relevant working and business skills, meeting demands of the local and regional labor markets.

41. Inputs for this subcomponent will be (i) revision of training curricula and programs; (ii) accreditation for curricula/programs developed under the project; (iii) lecturers' participation in short-term training courses on how to write/revise programs in accordance with international accreditation requirements; (iv) construction of lecture halls, working offices for selected faculties, including simple research labs, IT, and foreign language labs, and practice rooms for students; This sub-component doesn't finance the construction of the resettlement housing. (v) construction – related consultancies; and (vi) procurement of lab, practice room, and office equipment.

42. *Subcomponent 1c.3: University governance, knowledge sharing, and project management*: The objective of this subcomponent is to strengthen the governance system of the university to implement the autonomy program and university development strategy towards a leading autonomous industry teaching university in the region. Knowledge sharing and project management activities are also financed.

43. Inputs for this subcomponent will be (i) upgrading of a management information system for improved university governance; (ii) training on administration and governance skills for managers and administrative staff; (iii) domestic study visits to advanced/well managed universities; (iv) hiring of international experts on university governance; (v) project monitoring and evaluation, including the "uses of autonomy" report; (vi) project communication; and (vii) independent audits.

Subcomponent 1d: Developing a digital library portal for HEIs (estimated US$11 million of which US$10 million IDA)

44. This component will support (i) development of a digital library portal for social science disciplines to be benefited by all universities with social science and economics disciplines. This subcomponent will be managed by the National Economic University. A group of universities will join this library group to share e-resources and related costs. The digital library resources will include internal and external ones. The internal resources are comprised of theses, e-books, reference materials, lecture notes and the like developed and contributed by member universities who participate in this library consortium. A small amount of fee can be charged for the access to these resources by students and lecturers of member universities. Meanwhile the external resources include subscription and e-books from e-publishers of journals that cover economics and business, social sciences, medical and technology subjects.

45. This subcomponent will support (i) the development and management of the library portal, including hardware and software; (ii) facilities and equipment of the library building at NEU; (iii) subscription fees for e-resources; (iv) equipment and development of internally-generated e-materials; (v) training on research and librarian skills; and (vi) project management, reporting and communication.

Component 2: Higher Education Quality Assurance and Management Information System (US$5.5 million)

46. Component 2 will support enhancing higher education quality assurance system through research and development of policies and regulations on monitoring and reporting on standards and quality. This Component combines Quality

Assurance and Information Management System. The component is directly managed by the MOET. Details of Component 2 require further dialogues and agreement with the MOET.

Subcomponent 2.a. Quality Assurance for Higher Education System.

47. This subcomponent will finance review and consolidation of existing quality standards of higher education system that is used for higher education institutional accreditation. These standards should be able to inform students and the wider public whether a higher education provider meets the expectations of the higher education sector regarding setting and maintenance of academic standards, the quality of learning opportunities, and the information they provide about their higher education provision. It also finance the rollout of the accreditation standards in practices, through capacity building for recently-established independent higher education accreditation agencies as well as development of training, reference resources and guidance on the standards and quality.

Subcomponent 2.b. Higher Education Management Information System (HEMIS).

48. This subcomponent will finance (i) the development a management information system for higher education sector so that it helps decision makers at central and institutional level to access accurate sector data; (ii) project management, communication and knowledge sharing. The overall project monitoring and evaluation and independent audit will also be financed in this subcomponent.

49. The HEMIS purpose is to collect and disseminate information about such matters as enrollment, finance, and institutional operations to help inform both institutional level and central strategic planning and decision-making. The information generated from the HEMIS will be used to support decision making such as financing allocation and quality assurance (accreditation). The statistical data to be collected by the HEMIS therefore will include enrolments, degree awards, graduation and retentions rates, student-faculty ratio and similar productivity statistics, information about academic personnel and their deployment, and data on program costs. The HEMIS will encourage the practice of information use in higher education institution and at central ministry levels. It is developed in close reference to the quality assurance standards. HE institutions can use HEMIS as an internal self-assessment tool in their accreditation process.

50. The HEMIS will be deployed in higher education institutions as universities' internal information management system so that real-time data can be reported to different management level. As a result, the HEMIS will require no additional costs in data entry and reporting. In addition to the development of the HEMIS infrastructure, MOET will cooperate with relevant government agencies to prepare or issue accompanying policies to make sure that the system is functional. The IT Department of MOET will take lead in the technical design of the HEMIS. Specific activities in this subcomponent include (i) surveys and assessments of the current HE related MIS infrastructure and quality; (ii) design, pilot and roll-out of the new system to all HEIs; (iii) procurement of hardware and software; (iv) training on system management and data analysis; (v) policy on information sharing and contribution; and (vi) communication.

51. Besides MOET will employ technical assistance activities to enhance the policy framework on HE autonomy and quality assurance. This is expected to enable HE providers to be fully autonomous and accountable and public financing for HE will be efficiently used and monitored.

52. In this project, MOET will play the overall project coordinator role. Therefore there will be a small budget allocation amount for overall project monitoring and reporting. Four universities implement their components and submit (bi)-annual M&E reports to MOET for consolidating and reporting to the Government. In addition there will be shared communication and audit activities to be managed by MOET.

SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The new construction and upgrading of facilities will be implemented within the existing premises of VNUA and HUST in Ha Noi capital, while IUH needs to clear a site of 26.7 ha for both a new campus and a resettlement site. According to the inventory of loss (IOL), it is estimated that about 263 land owned households will be affected, of which 98 households (with 32 businesses) will be relocated in the resettlement site to be constructed close to the campus in Tan Chanh Hiep Ward, District 12, Ho Chi Minh city (HCMC). Besides, it is estimated that about 68 renters who are renting houses of the land owners in the campus area will be also affected.

The subproject locations are all in the urban areas with typical urban residential and traffic setting of big cities in Vietnam. The land area acquired for the IUH's campus is a fallow land because HCMC has made a master plan for this area to be developed as an urban area so that no infrastructure such as irrigation and drainage system serving for agricultural activities has been invested in the last 10 years. Some households just cultivate vegetable on small area for family use only. All land owners have changed their agricultural production to business or wage labors. Therefore, acquisition of agricultural land does not much affect their livelihood and income. Conversely the project will create opportunity for affected households to establish new businesses and services when thousands of students come to study and live in the campus. Households who have to relocate will be allocated land plots in a resettlement site constructed close to the campus with full infrastructure so that their living conditions will be improved compared with the pre-project conditions. With these reasons, social risk is expected to be moderate.

All three universities propose small buildings and site specific construction for their newly-built lecture halls, offices and labs.

B. Borrower's Institutional Capacity for Safeguard Policies

VNUA, HUST and IUH will be executing agencies for this project. VNUA and HUST have implemented several projects financed by the Bank so they are familiar with the World Bank safeguard policy requirements. IUH has never implemented World Bank funded project. However, the implementation of resettlement for the campus will be carried out by the Resettlement Committee of District 12 who has expertise in resettlement and has experience in implementation of resettlement of World Bank's and ADB funded projects.

C. Environmental and Social Safeguards Specialists on the Team

Lan Thi Thu Nguyen, Giang Tam Nguyen, Thang Duy Nguyen, Thao Thi Mai Pham

D. Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project would mostly have positive impacts through (i) development of education and research, (ii) promotion of transferring knowledge to farmers (VNUA), (iii) development of education infrastructure, and (iv) enhancement of the linkage between research and the industry sector through cooperation between VNUA and agriculture companies. This policy is triggered due to project's environmental and social impacts. It is anticipated that education infrastructure development including new construction and upgrading of class rooms, administrative and working offices, and laboratories at a small to medium scale under Component 1 will cause construction related impacts such as noise, dust, vibration, construction wastes, health and safety of workers, faculty, staff, students and surrounding neighborhoods. Most of the impacts are site specific. Potential impacts during operation may include domestic wastewater and solid wastes, chemical wastes from laboratories, and potential use of synthetic pesticides in plant researches and demonstration models. However, these models will be developed at a small to moderate scale. Given the project's location and the nature of activities, the project is envisaged to not generate significant environmental and social adverse impacts, and thus proposed to be a Category B project. During project preparation, an Environmental and Social Management Plan (ESMP) will be prepared for each and every sub-projects (VNUA, HUST and IUH). The ESMP will include measures to address the identified environmental and social impacts caused during the pre-construction, construction, and operations phases, including waste water and solid waste management. During project implementation the universities will conduct activities to enhance quality and relevance of research which might have potential environmental and social implications, risk and impacts, and therefore, are subject to Bank safeguard policies when applicable. The ESMP will include requirements

		for screening of these research and studies to determine their environmental and social impacts and mitigation measures during project implementation. During the preparation of the ESMP, consultations with key stakeholders will be conducted, especially with the affected groups and local communities, to identify and assess the potential environmental and social impacts, design appropriate mitigation, management, and monitoring measures in compliance with the Bank's safeguards policies and national Law on Environmental Protection. The ESMP will be subject to the Bank's review and clearance. Prior to project appraisal, the draft final ESMP will be disclosed locally in Vietnamese at the project sites, and in English at the Bank's InfoShop.
Natural Habitats OP/BP 4.04	No	Given location and the nature of activities, the project is envisaged to not cause any conversion or degradation of any natural habitats.
Forests OP/BP 4.36	No	Given location and the nature of activities, the project is envisaged to not cause any impacts or implications on forests.
Pest Management OP 4.09	Yes	The project may finance procurement of small amounts of pesticides for agriculture research including small scale piloting of demonstration models, posing potential health risks for researchers and communities. Therefore, this policy is triggered. The Pest Management curriculum of the VNUA would include Integrated Pest Management. A Pest Management Plan will also be prepared and included in the ESMP for the subprojects that include the use of pesticides.
Physical Cultural Resources OP/BP 4.11	TBD	The project is envisaged to not affect any physical cultural resources (PCRs) such as cultural, historic, or religious monuments or graves. However, the project involves building foundation excavation activities, which may result in chance finds, especially graves. Therefore, a chance finds procedure will be included in the related subproject ESMP and biding contractual documents.
Indigenous Peoples OP/BP 4.10	No	The screening showed that there is no ethnic minority community living in or collective attachment to the project area that meet the criteria of OP 4.10. Some research activities of the VNUA will focus on the Red River Delta, not on mountainous area where

		ethnic minorities are often living, so training activities for farmers to disclose results of the research will be conducted in Red River Delta districts where no ethnic minority people are living there. Hence, OP/BP4.10 is not triggered for the project.
Involuntary Resettlement OP/BP 4.12	Yes	OP/BP 4.12 is triggered because the Industry University of Ho Chi Minh City (IUH) needs to acquire a site of 26.7 ha for both a new campus and a resettlement site, which will affect an estimated 263 land own households, including about 98 relocated households with 32 businesses. Besides, about 68 renters who are renting houses of the land owners will be also affected. Construction activities of two other universities will be within the existing campus so that they do not cause land acquisition and social risks. A resettlement action plan (RAP) will be prepared for the IUH's campus and resettlement site based on census, socioeconomic survey, inventory of losses and consultation with different stakeholders including affected households to address adverse impacts in compliance with the Bank's and Government's policies on involuntary resettlement. The RAP will be updated during implementation when detailed technical design is approved and also based on results of detailed measurement survey (DMS), replacement cost survey and consultation with affected households, and disclosed locally and in Infoshop of the Bank. Although 98 households have to relocate, they will be resettled in a resettlement site to be constructed close to the campus so that they can maintain their social bonds and business and new businesses will be created when the campus is opened with thousands of students living and studying there. They will have better living conditions in resettlement site and opportunity for improvement of their income and livelihood.
Safety of Dams OP/BP 4.37	No	The project will not involve construction of new dams or rehabilitation of existing dams. The project will not also rely on performance of existing dams or dam under construction.
Projects on International Waterways OP/BP 7.50	No	The project will not involve the use or potential pollution of International Waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project is not located in any disputed areas.

E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Nov 30, 2016

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

All safeguard instruments prepared during project preparation, including ESMP and RAP, will have been completed and disclosed locally and in the Bank's InfoShop by the end of December 2016.

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APPROVAL

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