

**MINISTRY OF AGRICULTURE
AND RURAL DEVELOPMENT**

WORLD BANK

ETHNIC MINORITY POLICY FRAMEWORK

VIETNAM: SUSTAINABLE AGRICULTURAL TRANSFORMATION PROJECT

(VnSAT)

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Acronyms

CPC	City People's Committee Ủy ban Nhân dân thành phố
CRC	City Resettlement Committee Hội đồng Tái định cư thành phố
DMS	Detailed Measurement Survey Khảo sát đo đạc chi tiết
DP	Displaced Persons Những người phải di dời đi
DPC	District People's Committee Ủy ban Nhân dân huyện
DRC	District Resettlement Committee Hội đồng Tái định cư huyện
EM	Ethnic Minority Dân tộc thiểu số
GOV	Government of Vietnam Chính phủ Việt Nam
HOC	House Ownership Certificate Giấy Chứng nhận Sở hữu nhà
LURC	Land Use Rights Certificate Giấy Chứng nhận Quyền sử dụng đất
NGO	non-Governmental Organizations Các Tổ chức Phi chính phủ
PC	People's Committee Ủy ban Nhân dân
PIM	Project Implementation Manual Sổ tay Thực hiện Dự án
PPC	Provincial People's Committee Ủy ban Nhân dân tỉnh
PRC	Provincial Resettlement Committee Hội đồng tái định cư tỉnh
PCU	Project Coordinating Unit Ban Điều phối Dự án
PMU	Project Management Unit Ban Quản lý Dự án
PPMU	Provincial Project Management Unit Ban Quản lý Dự án cấp tỉnh
R(A)P	Resettlement (Action) Plan Kế hoạch (Hành động) Tái định cư
RPF	Resettlement Policy Framework Khung Chính sách Tái định cư

I. INTRODUCTION

1.1. Description of the Project

Over the last 2 decades, Vietnam's agricultural sector has made enormous progress, realizing major gains in productivity and output and contributing to national goals related to food security, poverty reduction, social stability, and trade. Although its contribution to GDP has decreased from 31% to 17%, the agriculture section remains the main sources for livelihoods of two thirds of Vietnam population and of over 90% of poor people. Agriculture provides a socially stabilizing role in the face of volatile macroeconomic conditions and has provided the country with a secure, affordable, and increasingly diversified source of food, generating employment for a segment of unemployed urban laborers and contributing to mitigation of trade deficit.

However, the agricultural sector growth has begun to slow down in recent years and unsustainable elements for growth have emerged. The agricultural sector now faces growing domestic competition – from cities, industry, and services – for labor, land and water. Rising labor costs are beginning to inhibit the sector's ability to compete internationally as a low cost producer of bulk undifferentiated commodities. The consequences of over-intensive input and natural resource use – both for the environment and for farmer profitability – are being increasingly recognized. To overcome these challenges, Vietnam's agriculture will need to generate more economic value and farmer and consumer welfare using less natural, human, and other resources. And, it will need to increasingly compete on the bases of reliable supply, predictable quality, assured food safety and value addition.

Vietnam needs to change not only in the growth model for agriculture, but also in the structural patterns of production and supply chain organization, which are currently loosely organized and lack of synergy between farmers and other actors in the value chain. Change is also needed in the model of 'state management' in the sector – in the technical and regulatory services provided by the state, in public investments and expenditures in the sector, and in the policies applied to foster farmer and agribusiness investment. A demand-driven economy needs flexibility. These changes are becoming increasingly urgent in the context of changing market demand and opportunities, as well as market-oriented development needs. These changes will create a transformation for the agriculture, a sector of significant importance to transforming the country economy given its current position, resources and competitive advantages.

The Agricultural Restructuring Plan was approved by Prime Minister under the Decision no.899/QD-TTg dated 10 June, 2013. Translating this vision into widespread application is one of the sector's major challenges in the upcoming years. Although country and sector which have many multi-year plans, including 'with a vision to 2030', policy and program-making tends to be reactive, addressing the last rather than the future challenges. There are many goals, yet often without a clear roadmap for realization of such goals. To drive agricultural change, the government has begun numerous initiatives, yet with little synergy among them or connections

between these and the commercial banking sector. With different pressures, opportunities, and current ‘starting points’, Vietnam’s varied agricultural regions and sub-sectors are expected to progress on a transformative path at different paces.

The VnSAT Project to be funded by the World Bank is formulated on the basis of the objective and contents of the Agricultural Restructuring Plan (ARP) approved by the Government. In particular, the VnSAT Project will assist Ministry of Agriculture and Rural Development in implementing a significant segment of the ARP.

Project Development Objective: to contribute to the deployment and implementation of the ARP by providing capacity building and organizational development to the sector and re-organizing production to increase value addition and sustainability of rice and coffee sub-sectors in two key commodity production zones of Vietnam such as Mekong delta and Central Highlands regions.

Specific objectives of the Project:

- Capacity building and organizational development provided to MARD and project provinces for restructuring of the agriculture sector;
- Incomes increased by 20% for some 200,000 rice – cultivating farmer households in the Mekong delta region through introduction of sustainable farming practices and vertical coordination with enterprises and cooperatives;
- Competitiveness of rice trading enterprises in Mekong delta region strengthened via provision of medium – and long – term credits for upgrading high quality rice processing assembly lines and facilities;
- Incomes increased by 15 to 20% for around 50,000 farmer households in the Central Highlands region via coffee rejuvenation and introduction of sustainable farming practices;
- Negative impacts to environment reduced thanks to a declined use of irrigation water, fertilizers and pesticides in the course of rice and coffee cultivation.

The project would support around 30 leading rice-producing districts (accounting for over 50% of rice produced in the region) in eight provinces in the Mekong Delta namely Kien Giang, An Giang, Hau Giang, Tien Giang, Long An, Dong Thap, Can Tho and Soc Trang, and 8 – 12 leading coffee-producing districts in five provinces in the Central Highlands including Lam Dong, Dak Lak, Dak Nong, Gia Lai and Kon Tum.

The VnSAT project comprises of 4 Components:

Component A: Institutional Strengthening to Support Agricultural Transformation

The objective of this component is to provide capacity building (CB) and organizational development (OD) to MARD, selected provincial DARDs, other public sector agencies and value chain actors (including banks).

Component B: Supporting Sustainable Rice-Based Systems: The objective of the component is to increase rice farmer's income, reduce negative environmental impacts from rice intensified farming, and enhance the competitiveness of the rice sector. This component would support sustainable rice-based systems in the MKD through: (a) implementing a large-scale extension program on improved agronomic practices including training, demonstration sites for changing behavior and farming practices of farmers¹, capacity – building for farmer organizations, support to establishing contractual arrangements with processing enterprises, improved quality of rice and brand development, encouragement of rotation crops to diversity production and raise incomes for farmer organizations and their members ; (ii) supporting and leveraging private sector investments in upgrading rice processing technology and facilities for reducing post – harvest losses and improving quality and grade of processed rice; and (iii) improving public services delivery to support farmer adoption of improved agronomic practices and to monitor their application, to measure and evaluate the green house gas emission reduction and economic efficiency.

Component C: Supporting Sustainable Coffee Production and Rejuvenation:

The objective of this component is to increase coffee farmer's incomes and reduce negative environmental impacts of intensive coffee production via adoption of sustainable farming practices. The Project will provide support for: (i) implementing a large-scale extension program to promote farmers' adoption of improved, more sustainable agronomic and management practices; (ii) improving most critical business services by non-state business institutions in support of farmers' coffee plantation rejuvenation; (iii) enhancing quality and delivery of public service delivery to create an enabling environment for the farmers' adoption; and (iv) providing credits for coffee growers to rejuvenate coffee gardens planned for rejuvenation.

Component D: Project Management, Monitoring and Evaluation

This Component would provide necessary training, equipment, facilities, and operating costs for the performance of monitoring and evaluation, financial management, procurement, long – term and short – term technical assistance for project management; developing an M&E system for the project in line with the AMT established by Ministry of Planning and Investment. Independently technical audits will be conducted annually to assess the adoption of the 3R3G and 1M5R based on the criteria developed for the project.

The total fund for the project is expected at around 348 million USD, equivalent to 7,482 billion VND (the exchange rate temporarily calculated at 1 USD = 21,500 VND) in which non – credit

¹ The '3 Reductions and 3 Gains' package (3R3G), which aims at reducing seed, fertilizer, and pesticide, thereby increasing productivity, quality, and profitability) followed by the '1 Must 5 Reductions' package (1M5R), which requires the use of certified seed and adds new requirements of reducing water and postharvest losses.

fund is 245 million VND (accounting for 70%) and credit fund is 103 million USD (accounting for 30%).

1.2. Objective of the Ethnic Minority Policy Framework (EMPF)

Bank's OP 4.10 requires that the project owner has to prepare an EMPF when the project involves the preparation and implementation of annual investment programs or multiple subprojects. Specific impacts on the EM communities in certain project areas could only be determined in the course of the project implementation.

This EMPF provides guidance on how an EMDP for a program/subproject should be prepared. It helps, on the basis of consultation with affected EM in the subproject areas, ensure (a) affected EM peoples receive culturally appropriate social and economic benefits; (b) when there are potential adverse effects on EM, the impact are identified, avoided, minimized, mitigated, or compensated for.

This EMPF is prepared by Ministry of Agriculture and Rural Development (MARD) in accordance with Bank's OP 4.10. It was developed on the basis of a) MARD's experience in implementing similar projects; b) social assessment report (conducted in the project active and similar areas); c) consultation exercises conducted by MARD with the various project stakeholders, and ethnic minorities residing in the project area.

This EMPF will be applied to all subprojects/investments identified during the implementation of the Sustainable Agriculture Transformation project (VnSAT).

1.3. Social impacts of the Project

The Project is expected to have some potential adverse impacts, particularly on ethnic minority groups. These potential impacts are:

Impact associated with land acquisition as a result of construction of physical works (i.e. access roads, system of irrigation canals, rice store sheds, rice driers, pumping stations and voltage transformer). It is, however, anticipated that the Project will not cause adverse impacts or resettlement as a result of land acquisition. Field land acquisition may take place at some places for upgrading infrastructures such as construction of markets, access roads, irrigation canal system, rice store sheds and electricity supply system yet the magnitude is small. The Project has prepared the Resettlement Policy Framework.

Impact related to regulated access to improved knowledge of production technology and markets due to the monitoring/regulation enforcements of sustainable agriculture technology transfer, and;

Other minor unforeseeable impacts to ethnic minority groups (particularly in Mekong delta and Central Highlands regions).

Most of the project impacts are positive and beneficial to the ethnic minority and households of the vulnerable groups in the project area. The main positive impacts are identified as follows (see table below):

Table 1: Main positive impacts

Main groups	Expected benefits and positive impacts from VnSAT project
Beneficiary households	Income increase and poverty reduction in rural area Improved productivity, competitiveness and market access Increased employments Stable production Improved production system to guarantee stable incomes Capacity building, collective learning and empowerment Increased assistance from extension services Improved transparency in project implementation
Ethnic minority groups	Reduced poverty rate and increased household incomes Improvements of family well-beings Improved livelihoods Greater recognition and social prestige through economic activities More sustainable utilization of natural resources Consolidation of rights to natural resources Promotion of respect for local culture
District and commune levels	Improved infrastructure Improved roads for better access to essential services of local people Improved opportunities for poor people to earn cash

	incomes from road works
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II. SOCIO – ECONOMIC INFORMATION OF THE PROJECT AREA

2.1. Main characteristics of the ethnic minority groups in the Central Highland region

The provinces anticipated to be included in VnSAT project include: Lam Dong, Dak Lak, Gia Lai, Dak Nong and Kon Tum. The project interventions may affect or benefit the ethnic minority groups. Table 2 presents the ethnic minority data by province:

Table 2: Ethnic minority by province

	Province	Kinh majority (%)	Ethnic Minority (%)	Main EM groups
1	Lam Dong	77	23	40 groups: Coho (11.31%), Ma, Tay, Nung, Thai, Muong, Churu...
2	Daklak	70	30	44 groups: Tay, Thai, Hoa, Ede, Giarai, M'ngong, HMong, Muong
3	Gia Lai	52	48	34 groups: Jrai (33.5%), Bahnar (13.7%), Gie-trieng, Xo-dang, Thai, Muong
4	Dak Nong	68	32	M'ngong (8.2%), Nung (5.6%), Hmong (4.2%)
5	Kon Tum	47	53	Xo dang (25%), Bahnar (12%), Gie - Trieng

Source : <http://www.cema.gov.vn> and provincial websites.

The ethnic minorities account for 21 percent of the population on average in the project area, with Gia Lai and Daklak provinces with high shares of ethnic minorities in the population with 48% and 30% respectively. While ethnic minorities in Vietnam enjoy full legal and citizenship rights, they continue to remain disproportionately poor. Despite improvements in health, education and economics, most ethnic minorities remain relatively disadvantaged compared to average national standards.

Ethnic minorities in the project area can be categorized into two main groups (i) indigenous or local ethnic groups (such as Coho, Churu, Ede, Giarai, Bana, Hre and Ra-glai) and (ii) migrant ethnic groups from the North (such as Thai, Tho, Muong, Hmong, Dao, Tay and Nung). The latter groups are considered more dynamic in their agriculture production as they brought with them a lot of farming techniques, skills and experience as they migrated to the new location. They also adopted new techniques when they resettled in their current livelihoods. A recent study showed that migrated ethnic minorities are more likely to restore their livelihood faster than the indigenous ethnic minorities (World Bank's Country Social Analysis).

2.2. Main characteristics of the ethnic minority groups in the Mekong river delta region

According to population data, the population of the Mekong river delta region was 17.7 million people of whom women accounted for 51%. The population density was 436people/km² and 78.4% of the population lived in rural area. Ethnic minority were 1.36 million people, accounting for 8,3% of the population. There were 3 main peoples in the region including Vietnamese majority (Kinh) 91.9 %, Khmer 6.9% and Chinese ethnic minority 1.1%. Besides, there were Cham ethnic minority of 15,000 people, accounting of 0.08% and other ethnic minorities of 3,300 people (0.02%). Khmer ethnic minority resided in hamlets and villages in such provinces as Soc Trang, An Giang and Kien Giang while Chinese ethnic minority lived mainly in the provinces of Soc Trang and An Giang, and Cham ethnic minority in An Giang province (GSO 2011, Locality Department III, 2011). Due to several historical incidences and marriage, a large number of Chinese Vietnamese left Vietnam while others stayed and registered as Vietnamese majority (Kinh) or Khmer ethnic minority in household registration certificates.

Within the VnSAT target population there is a very high degree of social, ethnic, economic and organizational diversity ranging from matrilineal systems of land ownership, to systems in transition. Broadly speaking non-ethnic minority groups such as the Kinh are economically more advanced and have a closer integration with the markets. Approximately a third of the population in the proposed target area is ethnic minority, and for this reason the project has to be designed to ensure that it is compatible with ethnic minority culture, values and economic organization.

Across the minority groups there is a range of non-traditional and traditional groups. Non-traditional groups are characterized by processes of language change and productive activities oriented towards the market. The more traditional groups maintain culture and language more closely and their productive activities still tend to be more subsistence, although this is changing. Many of them hunt, fish or gather on a part time or full time basis, and their agricultural plots are still rotated in forest areas. Decision-making and organization also varies. The non-traditional groups are more closely linked with the farmers' association movement and make decisions by voting in assemblies, while the traditional groups arrive at decisions through consensus.

For project implementation purposes, it will be important to correctly assess who the main decision-makers are both at household and community levels as this will impact on how effective project activities will be in changing behavior.

III. LEGISLATION AND POLICY FRAMEWORK

This section provides a framework for ensuring that the affected ethnic minorities (equivalent to the indigenous peoples as defined in OP 4.10) has equal opportunity to share the project benefits, that free, prior and informed consultation will be conducted to ensure their broad-based community access and support to the project are obtained, and that any potential negative impacts are properly mitigated and the framework will be applied to all the subprojects. It

provide guidance on how to conduct preliminary screening of ethnic minorities, social assessments, and identification of mitigation measures given due consideration to consultation, grievance redress, gender-sensitivities, and monitoring. An outline of the EMDP report is provided in Annex 1.

3.1. Legislation and policy framework for ethnic minority peoples

Constitutions of Vietnam of 1946, amended in 1959, 1980 and 1992 states “Implement a policy on equality, unity and support for all ethnic groups, give supportive conditions to ethnic minority groups in the development of a civilized society, and respect benefits, traditional cultures, languages and religions of ethnic minority groups”.

The adaptation of economic and social policies to each region and each group, taking the needs of ethnic minorities into account, is a requirement. The Socio-Economic Development Plan and Socio-Economic Development Strategy of Vietnam specifically call for attention to ethnic minorities. Major programs targeting ethnic minority people include Program 135 (infrastructure in poor and remote areas) and Program 134 (eradication of poor quality houses). A policy on education and health care for ethnic minorities is in place. The legal framework has been updated in 2007 with several documents relating to regional planning, the Program 135, Phase 2 and land administration and compensation. All legal document references are in **Table 3**.

Table 3: Legal documents relating to ethnic minority

2010	Decree 82/2010/ND-CP of government, dated 20 July 2010 on teaching and learning of ethnic minority languages in schools.
2009	Decree 69/2009/ND-CP of government, dated 13 August 2009 on regulating additional planning of land use, land prices, land acquisition, compensation, assistance and resettlement.
2008	Resolution no. 30a/2008/NQ-CP of government, dated 27 Dec. 2008 on support program for rapid and sustainable poverty reduction for 61 poorest districts
2008	Decision 74/2008/QD-TTg of the Prime Minister dated 9-June-2008 on support productive land and residential land for poor ethnic minority households in Mekong Delta area.
2007	Decision no. 33/2007/QD-TTg of the Prime Minister dated 20-July-2007 on the policy of assistance to improve knowledge of laws as a program of 135, phase 2.
2007	Decision no. 01/2007/QD-UBDT dated 31-May-2007 of the Ethnic Minorities Committee on the recognition of communes, districts in the mountainous areas
2007	Decision no. 05/2007/QD-UBDT dated 06-September-2007 of the Ethnic Minorities Committee on its acceptance for three regions of ethnic minorities and mountainous areas based on development status

2007	Circular no. 06 dated 20-September-2007 of the Ethnic Minorities Committee guidance on the assistance for services, improved livelihood of people, technical assistance for improving the knowledge on the laws according the decision 112/2007/QĐ-TTg
2007	Decision no. 06/2007/QĐ-UBND dated 12-January-2007 of the Ethnic Minorities Committee on the strategy of media for the program 135-phase 2
2007	Decree 84/2007/ND-CP of the Government of Vietnam on revision of issuing LURC, land acquisition, implementation of land use right, procedure for compensation, resettlement when land acquired by State and grievance redress.
2001	Decree No.70/2001/ND-CP: all documents registering family assets and land use rights must be in the names of both husband and wife.
1998	Decree no. 59/1998/ND-CP dated 13-August-1998 of the government on the functions, tasks, authorities and structure of the committee for Ethnic Minorities and Mountainous Areas

3.2. Policy and Program for ethnic minority groups in Mekong river delta region

Government has issued and established many policies and programs to support ethnic minority groups to improve their lives. For the Mekong delta area, ethnic minority groups are benefited from below policies and programs:

Policy on supporting residential land, productive land and creating jobs for poor ethnic minority people in Mekong delta area under Decision no. 74/2008/QĐ-TTg of Prime Minister, dated 9/6/2008.

Program 134 on supporting residential land, productive land and clean water for poor ethnic people in Mekong delta area.

Program 135, Phase 2 on socioeconomic development for poorest communes in the ethnic minority and remote and mountainous areas.

National target program on rural water supply and sanitation.

National target program on population and family planning.

National target program on prevention and protection of dangerous diseases and HIV/AIDS.

National target program on education and training.

3.3. Policy and Program for ethnic minority groups in the Central Highland region

The Highland Central region consists of 5 provinces with a combined area of 54,474 km², accounting for 16.8% of the total area of the country; population is 4.784 million people

(calculated by end of 2005) of whom local ethnic minority with 12 groups is 1.7 million people, accounting for 28.2% of total population in the region.

Despite of remarkable development in socio-economic conditions of the region in recent years, the local ethnic minority communities still face with a number of difficulties in their livelihoods and poverty polarization is increasingly obvious even among residents in the ethnic minority groups.

Reports by the provinces in the Central Highlands showed that by end of 2005 the percentage of poor households (according to new criteria) among the ethnic minority groups remained high, 60% on average, in which: Lam Dong: 55%; Dak Nong: 63%; Dak Lak: 62%; Gia Lai: 81%; and Kon Tum: 88%. The percentage of poor households among the ethnic minority was still high and poverty reduction rates only reached 2 – 3% for the region.

Decision no. 1592/QD-TTg by Prime Minister: continued implementation of a number of policies on granting lands for production and living, providing house and utility water to poor and hardship ethnic minority households until 2010;

Program 134 on supporting residential land, productive land and clean water for poor ethnic people in Mekong delta area.

Program 135, Phase 2 on socioeconomic development for poorest communes in the ethnic minority and remote and mountainous areas.

National target program on rural water supply and sanitation.

National target program on population and family planning.

National target program on prevention and protection of dangerous diseases and HIV/AIDS.

National target program on education and training.

World Bank's Operational Policy on Indigenous Peoples (OP 4.10)

The WB's Operational Policy 4.10 (Indigenous Peoples) requires to engage in a process of free, prior, and informed consultation². The Bank provides project financing only where free, prior, and informed consultation results in broad-based community access and support to the project by the affected Indigenous Peoples. Such Bank-financed projects include measures to (a) avoid potentially adverse effects on the Indigenous Peoples' communities; or (b) when avoidance is not feasible, minimize, mitigate, or compensate for such effects. Bank-financed projects are also

² Free, prior, and informed consultation with the affected Indigenous Peoples' communities" refers to a culturally appropriate and collective decision making process subsequent to meaningful and good faith consultation and informed participation regarding the preparation and implementation of the project. It does not constitute a veto right for individuals or groups.

designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender inclusive.

The Policy defines that ethnic minority peoples can be identified in particular geographical areas by the presence in varying degrees of the following characteristics:

Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;

Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;

Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and

An indigenous language, often different from the official language of the country or region.

As a prerequisite for an investment project approval, OP 4.10 requires the borrower to conduct free, prior and informed consultations with potentially affected ethnic minority peoples and to establish their broad-based community access and support to the project objectives and activities. It is important to note that the OP 4.10 refers to social groups and communities, and not to individuals. The primary objectives of OP 4.10 are:

To ensure that such groups are afforded meaningful opportunities to participate in planning project activities that affects them;

To ensure that opportunities to provide such groups with culturally appropriate benefits are considered; and

To ensure that any project impacts that adversely affect them are avoided or otherwise minimized and mitigated.

In the context of the Project, the ethnic minority groups (equivalent to indigenous peoples) in the Project area are likely to receive a long term benefits through the improved fisheries resources management, integrated planning, and capacity building, but they may be negatively affected by land acquisition and/or relocation. Specific policy and action plan to mitigate the potential impacts due to land acquisition and relocation will be addressed through the preparation of the Resettlement Action Plan (RAP).

Therefore, the EMPF has been designed to focus on *consultation to ensure that (a) the ethnic minority peoples have an opportunity to voice their concerns and to participate and benefit from the Project and (b) 'free, prior and informed consultation leading to 'broad-based community access and support'*. Sections 3 and 4 below describe the activities that have been/will be carried out during the preparation and implementation of the Project.

IV PREPARATION OF AN ETHNIC MINORITY DEVELOPMENT PLAN (EMDP).

An EMDP should be developed on the basis of consultation with ethnic minorities in the project area. Consultation is important to EMDP preparation since it provides ethnic minority groups (both potentially affected and not affected by subprojects) with opportunities to participate in planning and implementation of subprojects. More importantly, it helps identify potential adverse impact, if any, as a result of subproject, on EM's income generation activities and their livelihoods, thereby enabling devising of appropriate measures as to how adverse impacts could be avoided, minimized, and mitigated. Consultation also aims to ensure EM people have opportunities to articulate, on the basis of their understanding of subprojects/project goal, their needs for support from the project in relation to the project goal/project activities. The whole exercise of developing an EMDP is grounded on a study that is referred to, in Bank funded projects, as social assessment.

4.1. Social assessment

Purpose. *Social assessment (SA)*, in the context of Bank's OP 4.10, is a study that aims to explore how planned project activities under a Bank financed subproject would affect the livelihoods of EM present in the subproject area. The purpose of the SA is to ensure if there is any potential adverse impact as a result of the subproject, appropriate measures are in place (in advance of subproject implementation) to avoid, mitigate, minimize such potential adverse impact, or to compensate for affected population, if unavoidable. The SA also aims to explore, based on the understanding of EM's cultural, socio-economic characteristics of the EM communities, possible development activities that the project can implement (in relation to the project goal/objectives) to ensure EM peoples in the subproject area receives socio-economic benefits that are culturally appropriate to them.

Methods. A social assessment, in a nutshell, is a series of activities that are carefully planned and implemented to generate an outcome as outlined in the *Purpose* section above. Most important with the SA exercise is the consultation process which is to be conducted with EM people in the subproject area to collect relevant information, do data analysis, and write up the EMDP report. Consultation should be undertaken as a series of meetings with EM done at different times during the subproject cycle to ensure potential impact is projected as accurate as possible. As a good practice, EM consulted need to be provided with accurate and sufficient information about the subprojects before the consultation with them take place. In addition, potential impacts, if possibly anticipated by the project owner, need to be made known to EM to help them understand the nature and the magnitude of the subproject's impact on their income generation activities and livelihoods.

Appropriate consultation methods, specific to each ethnic minority groups, need to be adopted to obtain valid and reliable feedback from the EM being consulted. When consulting EM, particular attention need to be given to vulnerable groups, particularly those below the poverty line, the

landless, the elderly, women and children. It is important that a broad community support for the subproject implementation be obtained before subproject is appraised for implementation.

Data collection. There are two types of data that need to be collected for a social assessment undertaken for a subproject. Data that are already available about the affected/target EM population are secondary data. These data could be readily available from local governmental reports, statistic books, books, newspapers, and peer-review journals. The social assessment team (either appropriately trained staff from local PMU, or consultants) should check if such secondary data are sufficiently available so as not to duplicate the data collection effort. Experience shows that data specific to household level are typically not readily available. These data, therefore, should be obtained from affected population through household surveys/visits, or through focus groups discussion using appropriate interviewing techniques.

Type of data. When conducting a social assessment to develop an EMDP, the following information should be collected from both secondary and primary sources:

General socio-economic data of the potentially affected EM population;

Key cultural traits of EM groups;

Types of income generation activities, including income sources, disaggregated by their household member, work season;

Annual natural hazards that may affect their livelihood and income earning capacity;

Common pool resources, production and livelihood systems, tenure systems that EM may rely on;

Community relationship (social capital, kinship, social network...)

Potential (positive and adverse) impact of subprojects on their livelihoods.

Preferences of EM for support in development activities to be funded by project (Needs Assessment)

Data Analysis. This exercise is challenging, ranging from simple to complicated, depending on the type of data collected and the complexity of data, as well as data analysis skills available from the social assessment team. As a suggestion, qualitative data analysis should be obtained and analysis to support the findings of the social assessment. Quantitative analysis should be considered well before hand, and should only be adopted with the support from trained staff and support from external consultant.

4.2. Suggestive steps in developing an EMDP

The following steps should be followed by PCU, PPMU or their consultant, in order to prepare an EMDP for a subproject.

STEPS	IMPLEMENTATION PLAN	MONITORING & EVALUATION
1	<p><i>Setting EMDP Objective</i> To ensure 1) project’s potential adverse impact on EM’s income generation activity/livelihood (if any) is avoided/ minimized/ mitigated and 2) EM groups receive social and economic benefit (from project) that is culturally appropriate to them.</p>	
2	<p><i>Developing Data Collection Plan</i> What data need to be collected? How they are collected? What tools are used to collect? Who collect the data? How and when they are collected?</p> <p>Data Collection</p> <p>How the data collection exercise is done?</p> <p>Data Analysis</p> <p>How data are screened and are analyzed?</p> <p>How they are presented to inform the formulation of implementation Plan</p>	<p>What to collect</p> <p>How to collect</p> <p>What to collect</p>
3	<p><i>Identify a) potential adverse impact (if any) and b) conduct needs assessment (with clear targeting and prioritizing strategy)</i></p> <p>Does the data suggest what target groups may need from the project?</p> <p>How needs is prioritized based on project’s available resources (human and financial</p>	<p>How do you know beneficiaries are correctly targeted, and resources are sufficient to meet the needs?</p>

resources)?

4 ***Verify impact and needs assessment outcome (via consultations)***

Matching EM’s development needs against secondary data review

Does PPMU's plan meet beneficiaries' expectation and project goal

Identify possible adverse impacts project activities may have on EM groups being consulted with and how these impacts are avoided/ minimized/ mitigated.

Are consultations done appropriately?

5 ***Write up EMDP report***

What activities will be done (following needs assessment verified by consultations with target groups)

Is Implementation Plan achievable?

How these activities are done?

What resources (financial & human) are to be needed?

When these activities will be done

Is this Implementation Plan achievable?
How PPMU knows it is achievable?
(To know if Implementation Plan is achievable, an M&E Plan (right column) need to be developed along with the Implementation Plan)

Procedure for review and approval of an EMDP

Once an EMDP for a subproject is completed by PCU, PPMU, or their consultants, the EMDP needs to be submitted to the World Bank for prior review and comments before implementation of the subprojects for which the EMDP is associated. The Bank may request revision of the EMDP, based on the quality of the EMDP. When there is doubt or need for technical support in preparing an EMDP, the Bank’s task team should be contacted for timely support.

V. IMPLEMENTATION OF THE ETHNIC MINORITY POLICY FRAMEWORK (EMPF) AND ETHNIC MINORITY DEVELOPMENT PLANS (EMDPs).

5.1. Implementation Arrangements and Budget

The PCU of the project is in charge of the overall implementation of all EMDPs prepared under

the VnSAT project. The PCU will make sure all PPMUs understand the purpose of the EMPF and know how to apply it to develop EMDP for relevant subprojects.

At the central level - The PCU is responsible for providing technical support to PPMUs in preparing EMDPs for relevant subprojects. PCU is responsible for ensuring effective implementation of the EMDP, including monitoring and evaluation of the results of the EMDP implementation. At the outset of the project implementation, PCU will provide training to its social staff – at central and provincial levels, to enable them to undertake screening (of EM present in the influence area of the subprojects) to determine when an EMDP is needed, and on the basis of the screening result, conduct social impact assessment, and prepare EMDP. Where local capacity is insufficient to prepare an EMDP, qualified consultants may be mobilized to assist PPMUs in development an EMDP for a subproject in accordance with the EMPF.

At provincial level - The PPMUs and local governments are responsible for implementing the EMDPs. Appropriate staff and budget – sufficient to achieve the objective of an EMDP, need to be included in the EMDP for Bank’s prior review and approval. In case where EM peoples are affected as a result of land acquisition, to allow construction of subprojects, compensation, assistance to EM affected will be addressed through relevant RAP which is prepared separately in accordance with the project’s RPF.

5.2. Disclosure of EMDP

Once preparation of an EMDP is completed, it needs to be disclosed to affected EM peoples and their communities. The EMDP needs to be disclosed in an appropriate manner to ensure affected EM people and their community can conveniently access and can fully understand. In addition to public disclosure of the EMDP, meetings need to be given at the community where EM peoples are affected by the subproject. Where needed, meetings should be conducted using the language of the EM affected to ensure they fully understand the EMDP objective and can provide feedback. The EMPF and EMDPs are also disclosed in Vietnam Development Information Center (VDIC) and InfoShop as regulated by the World Bank.

5.3. Grievance Redress Mechanism

The grievance mechanisms under the Project will be two-tiered: one internal to the communities concerned and the other, involving third-party/external mediation. For each Project province, a Grievance Redress Committees will be established from villages/districts to provincial levels built on the existing structures consisting of concerned departments, mass organizations, women and ethnic representatives. At the village level, community based co-management will incorporate in the existing grievance mechanisms that will be chaired by elder and/or spiritual/tribal leaders, which are largely acceptable to local communities, particularly the ethnic minority groups.

The grievance redress mechanism will be applied to persons or groups that are directly or indirectly affected by the Project, as well as those that may have interests in a Project and/or have the ability to influence its outcome -- either positively or negatively. The Project will provide training and support to strengthen these existing structures for effectively and collectively dealing with possible grievances that may arise during the course of the project

implementation. All complaints and grievances must be properly documented by PPMUs, with copies being filed at commune and district levels.

If the affected EM peoples are not satisfied with the process, compensation or mitigation measures, or any other issue, the EM themselves or EMP's representatives or village leaders can lodge their complaints to the CPC or to the PPMU following the grievance redress mechanism established in the EMDP. All grievances will be addressed promptly, and in way that is culturally appropriate to the affected EM peoples. All costs associated with EM's complaints are exempt to EM complainants. PPMU and independent monitoring consultant are responsible for monitoring the progress of resolution of EMs' complaints. All cases of complaints must be recorded in PPMU's project files, and be reviewed regularly by independent monitoring consultant.

The grievance redress mechanism is established on the basis of the Vietnam's laws. Typically, there are three steps that a complainant could go through before elevating to the local court as the last resort.

First Stage - Commune People's Committee (CPC). An aggrieved affected household may bring his/her complaint to the Commune People's Committee, either through the Village Chief or directly to the CPC, in writing or verbally. The CPC will meet personally with the aggrieved affected household and will have 30-45 days following the lodging of the complaint to resolve it (Note: in remote and mountainous areas, the complaint should be resolved within 45-60 days. The CPC secretariat is responsible for documenting and keeping in record all complaints that it handles.

Upon issuance of decision of CPC, the household can make an appeal within 30 days. If the second decision has been issued and the household is still not satisfied with the decision, the household can elevate his/her complaint to the DPC.

Second Stage - District People's Committee (DPC). Upon receipt of complaint from the household, the DPC will have 30-45 days (or 45-60 days if it is in remote or mountainous areas) following the lodging of the complaint to resolve the case. The DPC is responsible for documenting and keeping file of all complaints that it handles.

Upon issuance of decision of DPC, the household can make an appeal within 30 days. If the second decision has been issued and the household is still not satisfied with the decision, the household can elevate his/her complaint to the PPC.

Third Stage - Provincial People's Committee (PPC). Upon receipt of complaint from the household, the PPC will have 30-45 days (or 45-60 days if it is in remote or mountainous areas) following the lodging of the complaint to resolve the case. The PPC is responsible for documenting and keeping in record all complaints that it handles.

Upon issuance of decision of PPC, the household can make an appeal within 30 days. If the third decision has been issued and the household is still not satisfied with the decision, the household can elevate his/her complaint to the court within 45 days. PPC will then deposit the compensation payment in an escrow account.

Final Stage - Court of Law. Should the complainant file his/her case to the court and the court rule in favor of the complainant, then Provincial government agency will have to increase the compensation at a level to be decided by the court. In case the court will rule in favor of PPC, then the amount deposited with the court is what the complainant will receive.

To ensure that the grievance mechanism described above are practical and acceptable by the ethnic minority affected by the subproject, this will be consulted with local authorities and local communities taken into account of specific cultural attributes as well as traditional, cultural mechanisms for raising and resolving complaints/conflicts. If the ethnic minority objects, efforts will be also made to identify and determine ways to resolve that is culturally acceptable to them.

5.4. Monitoring and Evaluation

Responsibility of overall monitoring and implementing the EMPF and EMDPs rests with the Project Coordination Unit (PCU). Implementing the EMPF and EMDP will be subjected to external independent monitoring by a qualified consultant. The external independent monitoring consultant will be hired by PCU. This service could be integrated into the contract for independent monitoring of the implementation of RPF and RAPs.

5.4.1. Internal Monitoring

Responsible agency. The PCU under the Ministry of Agriculture and Rural Development (MARD) will be responsible for the overall implementation of the EMPF and EMDPs. PCU is responsible for overall guidance to the PPMU and implementation of subprojects' EMDPs on the part of the PPMU.

5.4.2. External Monitoring

Responsible agency. An independent monitoring consultant (IMC) will be contracted to monitor the implementation of social safeguards of subprojects, including the EMDPs. Monitoring report will be submitted to the World Bank for review and comments. External monitoring should be conducted twice a year during the implementation of the Project to timely identify issues that might need immediate action from PCU and PPMUs.

Annex: Elements for an EMDP

Executive Summary

This section describes briefly the *critical facts, significant findings* from the social assessment, and *recommended actions to manage adverse impact (if any)* and *proposed development intervention activities* on the basis on the social assessment results.

I. Description of the Project

This section provides a general description of the *project goal, project components, potential adverse impact (if any) at the project and subproject levels*. Make clear the identified adverse impact at two levels – project and subproject.

II. Legal and institutional framework applicable to EM peoples

III. Description of the sub-project population

- Baseline information on the demographic, social, cultural, and political characteristics of the potentially affected EM population, or EM's communities.
- Production, livelihood systems, tenure systems that EM may rely on, including natural resources on which they depend (including common property resources, if any).
- Types of income generation activities, including income sources, disaggregated by their household member, work season;
- Annual natural hazards that may affect their livelihood and income earning capacity;
- Community relationship (social capital, kinship, social network...).

IV. Social Impact Assessment

This section describes:

Methods of consultation already used to ensure free, prior and informed consultation with affected EM population in the sub-project area.

Summary of results of free, prior and informed consultation with affected EM population. Results include two areas:

Potential impact of subprojects (positive and adverse) on their livelihoods of EM in the project area (both directly and indirectly);

Action plan of measures to avoid, minimize, mitigate, or compensate for these adverse effects.

Preferences of EM for support (from the project) in development activities intended for them (explored through needs assessment exercise conducted during the social assessment)

An action plan of measures to ensure EM in the subproject area receive social and economic benefits culturally appropriate to them, including, where necessary, measures to enhance the capacity of the local project implementing agencies.

V. Information Disclosure, Consultation and Participation:

This section will:

- a) Describe information disclosure, consultation and participation process with the affected EM peoples that was carried out during project preparation in free, prior, and informed consultation with them;
- b) Summarizes their comments on the results of the social impact assessment and identifies concerns raised during consultation and how these have been addressed in project design;
- c) In the case of project activities requiring broad-based community access and support, document the process and outcome of consultations with affected EM communities and any agreement resulting from such consultations for the project activities and safeguard measures addressing the impacts of such activities;
- d) Describe consultation and participation mechanisms to be used during implementation to ensure Ethnic minority peoples participation during implementation; and
- e) Confirm disclosure of the draft and final EMDP to the affected EM communities.

VI. Capacity Building: This section provides measures to strengthen the social, legal, and technical capabilities of (a) local government in addressing EM peoples issues in the project area; and (b) ethnic minority organizations in the project area to enable them to represent affected Ethnic minority peoples more effectively.

VII. Grievance Redress Mechanism: This section describes the procedures to redress grievances by affected Ethnic minority peoples. It also explains how the procedures are accessible on a participatory manner to Ethnic minority peoples and culturally appropriate and gender sensitive.

VIII. Institutional Arrangement: This section describes institutional arrangement responsibilities and mechanisms for carrying out the various measures of the EMDP. It also describes the process of including relevant local organizations and NGOs in carrying out the measures of the EMDP.

IX. Monitoring & Evaluation: This section describes the mechanisms and benchmarks appropriate to the project for monitoring, and evaluating the implementation of the EMDP. It also specifies arrangements for free, prior and informed consultation and participation of affected Ethnic minority peoples in the preparation and validation of monitoring, and evaluation reports.

X. Budget and Financing: This section provides an itemized budget for all activities described in the EMDP.