

# INTEGRATED SAFEGUARDS DATA SHEET

## IDENTIFICATION / CONCEPT STAGE

**Report No.:** ISDSC17517

**Date ISDS Prepared/Updated:** 31-May-2016

### I. BASIC INFORMATION

#### A. Basic Project Data

<b>Country:</b>	Vietnam	<b>Project ID:</b>	P159760
<b>Project Name:</b>	MARD M&E Capacity Building		
<b>Team Leader(s):</b>	Sergiy Zorya, Hanane Ahmed		
<b>Estimated Date of Approval:</b>	31-Aug-2016		
<b>Managing Unit:</b>	GFA02	<b>Lending Instrument:</b>	IPF
<b>Sector(s):</b>	General agriculture, fishing and forestry sector (40%), Public administration-Financial Sector (40%), Agro-industry, marketing, and trade (20%)		
<b>Theme(s):</b>	Rural markets (20%), Rural policies and institutions (60%), Rural services and infrastructure (20%)		
<b>Financing (in USD Million)</b>			
<b>Total Project Cost:</b>	1.8	<b>Total Bank Financing:</b>	0
<b>Financing Gap:</b>	0		
<b>Financing Source</b>			<b>Amount</b>
Japan Policy and Human Resources Development Fund			1.8
<b>Environment Category:</b>	C - Not Required		

#### B. Project Development Objective(s)

As indicated in the Japan PHRD operating guidelines note, the overall development objective of the Japan PHRD grant program is to enhance the use of government system to promote evidence-based decision making through strengthening the M&E systems of recipient Ministries and Implementing Agencies in the PHRD priority sectors.

The MARD of Vietnam is regarded as a strong candidate for support due to its ongoing commitment to policy reform, analysis and formulation, and its recent efforts to strengthen its capacity for monitoring and evaluation, especially in the context of the sector-wide restructuring objectives through the ARP.

Within this context, the PDO of the proposed project is to enhance M&E capacity of MARD and selected DARDs to monitor progress of the ARP.

#### C. Project Description

The recently completed ARP prepared by the MARD shifts the orientation of sectoral goals from physical targets to indicators related to the triple bottom line of sustainable development. It advocates for the sector to become market-led and consumer-driven, with the role of the government shifting from being the primary investor and service provider to being the facilitator of investments and services provided by others. The current M&E system in MARD, however, is not suitable to inform and support this restructuring process.

Decisions regarding farm enterprises, and farm policies and programs are mainly based on output oriented macro-targets (such as acreage planted or quantities produced) or technical indicators that determine adoption by farmers of technical advice and new technologies. Considerations and monitoring of indicators such as labor productivity, profitability, input use intensity and environmental sustainability are largely absent. With the restructuring envisaged sector M&E shifts its focus to sector performance indicators such as contribution to farm incomes, improvement of livelihoods, competitiveness of different crops within but also outside of Vietnam, effectiveness of public policy and investments and the sustainable and effective use of natural resources. This requires a profound understanding of farm enterprises and their economics. New data sources, actors and methodologies of joint analysis will need to be incorporated into the sector M&E to ensure that future policy reforms and decisions on investments are based on sound information and are supported by all actors affected by the policies.

In addition to developing a new set of sector performance and ARP indicators, it is equally important to carry out the following complementary activities: (i) analysis and clarification of roles and services of MARD and DARD government agencies in the ARP; (ii) capacity development to change/adjust work processes (including support to strengthening inter-departmental cooperation mechanisms) to better fulfill MARD functions especially in the context of M&E; (iii) capacity building to MARD departments entailing market oriented planning requirements and processes, project analysis, economic analysis and M&E skills, communication of ARP objectives, roles and functions throughout the entire country; and (iv) sector M&E including sector-wide planning and performance monitoring; technical assistance and capacity building for policy analysis, policy formulation and coordination of policy implementation.

#### CAPACITY BUILDING for M&E: Lessons from Best Practice

The World Bank has the substantial experience in helping countries to build their M&E capacity. This experience shows that while there are no precise models for creating successful M&E systems, every country and situation is different, there are some important lessons on what contributes to success. These lessons are derived from the IEG/World Bank report prepared in 2007: *How to Build M&E Systems to Support Better Government*. Of these lessons, the first and foremost is that substantive demand from government is a prerequisite to successful institutionalization. An M&E system must produce information considered useful by key stakeholders. For Vietnam, strong demand for an evidence-based M&E system should come from both its contribution to improved policy making and its contribution to full ownership of the process of policy formulation and implementation.

Other key lessons relevant to the circumstances of building a capacity for evidence-based M&E in the MARD and DARD in Vietnam include:

1. The need to begin support with a clear understanding of the existing roles and capacity for M&E.

In the context of Vietnam, an organizational change management is needed to clarify the different role of departments and functions within MARD and DARDs.

2. The need for a powerful champion of M&E systems, within a capable Ministry. In the context of Vietnam, this requirement has been met via the strong support of the MARD Vice Minister.

3. Care not to over-engineer the M&E system. Creation of an over-ambitious range of monitoring indicators can easily weaken an M&E system, especially during the early stages of development. Monitoring indicators that are not actively used can burden an M&E system, reducing the resources allocated to their use for analysis and evaluation.

4. The need to build a reliable data base. The value of an M&E system and demand for information will fall if data quality is poor. In many countries there is often too much (low quality) data and not enough information. Capacity building will thus entail a careful review of the existing information and statistical base provided by public institutions in the sector. As all statistics have their limitations, it is essential to understand what these limitations are, both when choosing the information to use and in using it for evidence-based decision making.

5. The need for training in M&E and the use of M&E. A strong emphasis on training is critical to successful capacity building for M&E. For all M&E systems this includes training in the establishment and maintenance of a large data base and the identification, design and use of appropriate monitoring indicators. Where the M&E system is the basis for evidence-based decision making, training in the use of this information for policy analysis and policy evaluation is especially important. Policy analysis and evaluation is the key output of evidence-based M&E systems, with monitoring as an intermediate output.

6. The need for a long-term view when building a successful M&E capacity. Countries that have built successful M&E systems have found that it is a long-haul effort requiring patience and persistence. It takes time to create or strengthen data systems, to recruit and train staff; to plan and implement evaluations and to build an effective institutional framework for using and sharing information. The ability to provide PHRD project support over a 2-3 year period will significantly improve project impact in this regard.

Project preparation and design includes the following activities:

Component 1: Support to the development of ARP M&E indicators

The objective of this component is to improve the existing M&E system to better monitor the progress of the ARP and sector wide-developments.

Main activities and outputs will include:

- (i) development of new set of ARP indicators, to cover both quantitative and qualitative aspects of the agricultural sector performance and the ARP implementation
- (ii) preparation of manuals and protocols for data collection, frequency of reporting, and roles and responsibilities of MARD and DARDs
- (iii) pilot testing of selected indicators, especially those required impact evaluation
- (iv) preparation of the roadmap for finalization of the ARP M&E indicators beyond the project's implementation.

The work under this component will be closely coordinated with the IPSARD, and will require the services of international and local consultants, the purchase of M&E software and the limited amount of goods (computers, etc.), if necessary, the limited number of workshops and seminars in Hanoi and in selected Provinces on indicators and methodologies, and operational expenses, including for pilot tests for selected indicators.

The expected outcomes of this component are: (i) a set of new sector performance and ARP indicators developed; (ii) M&E plan for data collection and methodologies developed; (iii) pilot tests for selected indicators conducted; and (iv) the roadmap for the further M&E plans developed.

#### Component 2: Support to the organizational change

The objectives of this component are to improve the M&E procedures and strengthen human capacity at MARD and selected DARDs to use the upgraded M&E system.

The main activities and outputs will include:

- (i) Support the change team to clarify the roles and tasks of the MARD staff in the new M&E and carry out necessary institutional changes
- (ii) Increase awareness through information campaigns and workshops about the M&E initiative to improve the flow of knowledge between central and local governments.
- (iii) Train the MARD and DARD staff working on M&E on the approaches, roles and functions, indicators, and methodologies, and expose them to the international best practices.
- (iv) Foster collaboration with the private sector, agricultural commodity boards, research, and academia through joint workshops and activities.

The work under this component will require trainings, with the support of local and international consultants, focused workshops, and operational expenses. The expected outcomes include: (i) better acknowledgement and understanding of the need for better ARP indicators and the M&E system for effective policy making; (ii) clarified roles of central and local governments in data collection; (iii) higher capacity of the M&E staff in MARD and selected DARDs to collect and analyze new information; and (iv) more active engagement of MARD with other partners in M&E strengthening.

#### Component 3: Project management

The objective of this component is to carry out the day-to-day management of the project.

The main activities will include:

- (v) Preparation of the project progress reports, including M&E
- (vi) Knowledge management
- (vii) Financial management and audit
- (viii) Procurement
- (ix) Other project management activities.

The expected outcomes include: (i) timely progress report preparation; (ii) provision of high quality and timely fiduciary services (FM and procurement); (iii) knowledge management and dissemination; and (iv) other support to the smooth implementation of the project activities.

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

Nationwide coverage involving MARD and selected provincial DARDs since the project focuses on sector-wide M&E capacity building.

### E. Borrower's Institutional Capacity for Safeguard Policies

N/A

### F. Environmental and Social Safeguards Specialists on the Team

Nghi Quy Nguyen (GSU02)

Thu Thi Le Nguyen (GEN2A)

## II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	The project focuses on capacity building. Therefore, no physical investments on environmental resources will take place.
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

## III. SAFEGUARD PREPARATION PLAN

Appraisal stage ISDS required?: No

## IV. APPROVALS

Team Leader(s):	Name: Sergiy Zorya, Hanane Ahmed	
<b>Approved By:</b>		
Safeguards Advisor:	Name: Peter Leonard (SA)	Date: 21-Apr-2016
Practice Manager/Manager:	Name: Nathan M. Belete (PMGR)	Date: 22-Apr-2016

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.