Early Warning System

WB-P149484

Dau Giay-Phan Thiet Expressway Pilot PPP Project

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Quick Facts

Countries	Vietnam
Specific Location	Vietnam, from Ho Chi Minh city to the south-central coastal city of Phan Thiet
Financial Institutions	World Bank (WB)
Status	Canceled
Bank Risk Rating	A
Borrower	MINISTRY OF TRANSPORT
Sectors	Transport
Potential Rights Impacts	Cultural Rights, Healthy Environment, Housing & Property, Indigenous Peoples, Labor & Livelihood
Investment Type(s)	Loan
Investment Amount (USD)	$ 625.00 million
Project Cost (USD)	$ 881.00 million

Project Description

This project supports the Government of Vietnam (GoV) to attract private sector expertise and capital for the construction of the Dau Giay-Phan Thiet Expressway. According to Bank documents, this will be "the first transaction under the GoV's Public-Private Partnership (PPP) Pilot Program for infrastructure investments" and this project will build the capacity of the GoV to handle future PPP transactions. The Dau Giay-Phan Thiet Expressway will consist of a toll road of approximately 100km, connecting Ho Chi Minh city (Dong Nai Province) to the south-central coastal city of Phan Thiet (Binh Thuan Province). Bank documents state that the Expressway will run through 23 communes in which approximately 260,380 persons reside.The project consists of two components: (1) the financing of the Expressway and (2) capacity building "to enhance the capacity of GoV Ministry of Transport to manage and supervise the DPEP transaction and future PPP transactions." The project builds upon a previous World Bank project, the Vietnam Public Private Partnership Pilots Project (P118848), which began in 2009.

Location: Vietnam, from Ho Chi Minh city to the south-central coastal city of Phan Thiet

Resources needed: Land acquisition, approximately: 5,468,375 m2

Early Warning System Project Analysis

Risk Assessment: Category A:

The World Bank classifies proposed projects based on the type, location, sensitivity, and scale of the project and the nature and severity of its potential environmental impacts. Category A is assigned to a project only if it is likely to have "significant adverse environmental impacts that are sensitive, diverse, or unprecedented."

APPLICABLE SOCIAL & ENVIRONMENTAL STANDARDS

Based on World Bank documents, the following environmental and social policies apply:

Environmental Assessment OP/BP 4.01:

triggered because this project will involve major construction through agricultural land mixed with rural residential areas. The alignment passes through agricultural land, rubber plantations, secondary forests and some local communities. The project is expected to result in increased noise and motor emissions, aesthetic problems, agricultural and forest occupations, traffic safety risks, reduced quality of life for local residents, resettlement, and social and environmental concerns. Furthermore, according to World Bank documents, there are still key areas that need discussion/amendment to comply with [World Bank] environmental policies and international standards.

Physical Cultural Resources OP/BP 4.11:

triggered due to the relocation of 9 graves. Preliminary screening has modified the alignment of the road to minimize encroaching on graveyards, churches, temples, and any other known cultural resources. Even so, the 9 graves are expect to be relocated and will be addressed in the appropriate resettlement instrument. At the time of writing, the locations of the graves were not provided in Bank documents. No archeological sites were found that would be impacted. As a precaution, archeologists will continue to inspect before and during the construction of the expressway. Further surveys will be carried out and the findings will be used for mitigation for potential impact.

Indigenous Peoples OP/BP 4.10:

triggered because, according to project documents, approximately 3,800 ethnic minority households are present in the 23 communes that the project passes through. Of these, 63 indigenous households will be impacted by land acquisition, of which , 47 households would lose more than 10% of their productive land, and 9 households will need to be relocated as a result of the Project. Bank documents state that the [Social Assessment], aside from identifying the potential positive and adverse impacts to inform project design, consulted with ethnic minority present in the projected area to identify specific impacts and needs. Further, the Bank states that these consultations were held in a free, prior, and informed manner. An Ethnic Minority Development Plan has been prepared on the basis of free, prior and informed consultation with these communities. It will identify the project impacts, assesses specific development needs of the ethnic minority communities, recommends mitigation measures for adverse impacts and proposes development activities that are based on discussion with EM peoples such as training in agricultural extension and business development.

Involuntary Resettlement OP/BP 4.12

triggered because this project involves land acquisition. According to Bank documents, land acquisition will be completed by Government prior to the land being handed over to the investors for commencement of the construction i.e. all resettlement activities will be completed by Government during project preparation phase. The Bank also states that the two investors Bitexco as the first investor, and the second investor (currently not identified) will obtain the concession for the expressway on land that has already been acquired and cleared by Government for the purpose of the project. Also, [a]ll the costs related to compensation payment, assistance, livelihoods restoration have been committed by the

People Affected By This Project

OUR RISK ASSESSMENT

Based on World Bank documents, this project poses potential risks to the following human rights:

Right to Property & Adequate Housing

According to World Bank documents, 708 households will be impacted by the project. Households are mostly in the agricultural sector: 99.2% of the land is used for agriculture while 0.8% of the land is used for residential purposes. Of the 708 households impacted by the project, 404 households (57%) would lose more than 20% of their land, 207 households (29%) will need to relocate and 54 (8%) would need to reorganize their house within residential plots. The Bank documents state that the Government of Vietnam would make compensation for the loss of land and assistance available, though details were not provided at the time of writing. Additionally, those who have to move their homes are not guaranteed that their next home will be of equal quality or better, or if they will be given financial to reconstruct. For those who are being relocated, World Bank documents do not state where the households who are being relocated.

Rights to Indigenous People

According to the World Bank documents, of the 708 households impacted, 63 households are indigenous. 47 households will lose more than 10% of their productive land, and 9 households will need to be relocated as a result of the project. The Government has made the details of compensation and assistance available, but the location to obtain this information has yet to be determined. The Ethnic Minority Development Plan (EMDP) expressed that the part of the aim for this project is for the indigenous to gain benefit as a whole from the development impact of the project.

Right to a Healthy Environment

According to the Environmental Assessment OP/BP4.01, there will be an increase in noise, vibration and motor vehicle air emissions; aesthetic problems; occupation of agricultural and forestry lands, particularly productive rubber plantations; traffic and traffic safety risks; reduced quality of life of local residents; resettlements; and other social and environmental concerns. A household's location would increase the impact of these effects. The decrease in quality of a healthy environment could also affect the quality of crops.

Right to Livelihood

Bank documents indicate that the Expressway will pass through agricultural lands. Therefore, the right to livelihood may be impacted, to the extent that communities are dependent on the agricultural land for their livelihoods. According to the World Bank documents, 404 households will lose more than 20% of their land, and 207 households will have to relocate. The economic impacts o relocating, losing land, and/or moving one's home around the property must be also be evaluated . Those who are relocating are not guaranteed that their new land for crops will be of better or equal quality. Furthermore, specialized crops that require unique conditions would be in danger if the farmer has based its income on it. Farmers who are being impacted by either the relocation, the loss of land, or the reconstruction of their home in their property should review the Government's compensation, assistance, and livelihood restoration, which is yet to be mentioned where it would be made available.

Right to Culture

According to World Bank documents, 9 graves are going to be relocated. Archeological teams have studied the area and found no significance. As a precaution, a professional archeological team will be present during the construction. The concern rises if the cemetery from which the graves come from is of cultural importance by the people and the indigenous of the area. Furthermore, cultural familial ties of the deceased could violate the right to culture. Therefore, the heirs of the deceased should be notified and brought into the discourse. Reports must take place to assure that the deceased are not of cultural importance. Additionally, the locale's sentiment of taking part of the cemetery must be taken into account as one could violate

Investment Description

- World Bank (WB)

Amount of bank loan or investment: Foreign Private Commercial Sources (152.00 USD Million) are projected to invest in the project. Components indicate that the Expressway will be financed through the International Development Association (277.00 USD million) and the International Bank for Reconstruction and Development (348.00 USD million). The Government of Vietnam will also contribute 104 USD million.

Total project cost: 881.00 USD Million

Contact Information

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The World Bank documents note that its policy requires consultation with the affected people. According to the World Bank documents, details regarding consultations with the non-indigenous communities have not been provided, though this may be provided for in the Social Assessment. Bank documents indicate that by the terms of the SA, "consult[ation] with ethnic minority to identify specific impacts and needs" in a "free, prior, and informed manner" have taken place.

At the time of writing, the World Bank documents do not indicate that there is a grievance mechanism in this project.

The World Bank Inspection Panel is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment.

ACCOUNTABILITY MECHANISM OF WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. You can learn more about the Inspection Panel and how to file a complaint at: http://ewebapps.worldbank.org/apps/ip/Pages/Home.aspx.

Bank Documents

- Integrated Safeguards Data Sheet (Concept Stage) - Dau Giay-Phan Thiet Expressway Pilot PPP Project [Original Source]
- Project Information Document (Concept Stage) - Dau Giay-Phan Thiet Expressway Pilot PPP Project - P1 [Original Source]